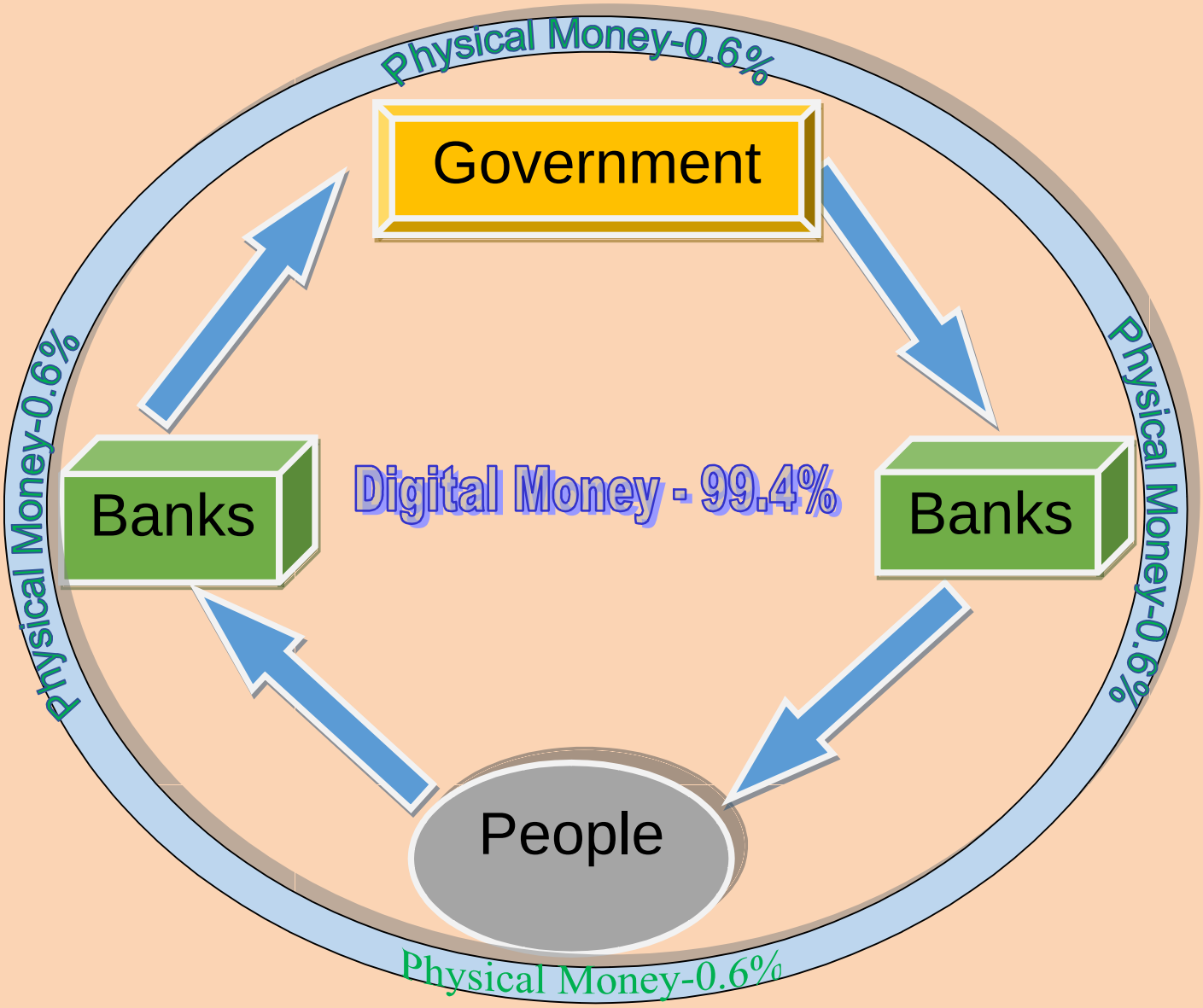
PORTABLE BANK ACCOUNT

100 % Digital Governance | Auto adjusted money supply | Zero fiscal deficit



BY

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PORTABLE BANK ACCOUNT

- by VARMA

Liberalize the banking sector to establish a bank branch at every village or colony having population of 2500 so that each bank shall handle approximately 2000 portable bank accounts. The purpose of liberalized banking sector is

*To give every citizen above the age of 15 years a portable bank account. This portable savings account number is permanent from birth to death. The portable savings account can be shifted from any bank to any bank at any time.

* To make India a fully digital nation and to usher in 100% e-governance.

* To expand Banking to the ultimate level so that many State and Central Government departments can be integrated in the banking system to cut the present government size and non plan expenditure to 1/3 level.

*To make the banking as intermediary between the Government and people

*To integrate the Government and governance in the banking system vertically and horizontally

*To know up to date bank profits at any time and to avoid nonperforming assets

* To make money supply automatically expands or contracts in the banking system according to demand for money, growth rate and population growth.

*To achieve zero deficit fiscal and revenue budget

* To make budget preparation simple and easy.

* To eliminate black money and corruption

* To make every bank branch an E-seva center.

* To streamline the PDS to keep subsidies out of the reach of the rich

*To streamline agriculture subsidies to stop farmer suicides and keep subsidies out of the reach of rich farmers, high income group people, industrialists, contractors, political leaders and business people.

* To stop illegal migration effectively and permanently.

* To control unemployment, provide social security to all, and stop child labour.

* To get the updated population figures at every day.

* To provide health care and the highest quality education to all people alike

* To enforce land ceiling act in totality.

* To achieve 100% food security, energy security and national security

* To help people get passports, birth certificates, death certificates, loans, monthly rations, pensions, natural calamity compensations instantly at any bank branch.

* To prepare and supply electoral rolls for the election commission and help it conduct one day polling in single phase for general elections page - 69

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* To build toll free highways
* To make India one fully open market without any check posts
* Before you read this document please down load and study the working modules of this new banking system from the website www.vijayavarma.com www.taxreforms.net www.singletax.org

The concomitant study of this text document along with the working modules will help it understood more easily.

My suggested regulations and guidelines for issuing licenses for banking business

* Banking licence should be given to any promoter or institution that has capital investment of minimum one thousand crore rupees. The qualification to start banking business should be a minimum capital investment of 1000 crore rupees. There should be no upper limit for bank's capital investment. Even individuals or a set of people with capital of minimum Rs. 1000 crores shall be allowed to operate banking business.
* Banks should be allowed to operate any number of branches.
* Banks should be allowed to handle portable savings accounts through its branches whose cumulative total money should not exceed 18 times the bank's own capital money.
* Banks should handle citizens' bank accounts and not own them. These bank accounts should be portable with portable account numbers.
* Customer should have absolute right to shift his account from one branch to another branch of the same bank or another branch of different bank.
* The money in the customers' accounts should not have any storage value. It should have only transaction value.
* The PLR rates on loans should not be more than 3% per annum up to Rs. 10 lakhs and should not be more than 4% per annum on loans/advances more than Rs 10 lakhs.
* The banks should not be allowed to take deposits from the customers. That means there should be no fixed deposits. There is zero interest on demand deposits. Demand deposits mean money in the savings accounts.
* A Bank should be allowed to handle any number of accounts through its branches. But the total digital money in these accounts should not exceed 18 times the value of bank's capital money. So the number of accounts a bank handles through its branches depends upon the total digital money in all these accounts. It can increase the number of accounts until the cumulative digital money in all its customers' accounts reaches 18 times the value of the bank's capital money. For example if a bank has Rs. 1000 crore has its capital money, the total money it should be allowed to handle from all its customers' accounts is 18,000 crore rupees. The total money in all customers' accounts handled by all branches of a bank should not be more than 18 times the value of the bank's capital money. If the bank wants to handle more number of accounts with more money supply it will have to increase its capital money.
* Banks should be allowed to generate loan money up to the 47.37% of the value of total digital money in all customers' accounts it handles + its own capital money in digital and physical form. The loans sanctioned by bank should not be more than 47.37% of total money in all customers' accounts it handles + its own capital money. For example if a bank's capital money is Rs. 1000 crore and with the maximum money handling capacity of 18000 crores the bank's maximum loan generating capacity is Rs

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9000. That means a bank's maximum loans capacity with 1000 crore capital money is [47.37% of (1000 + 18000 =19000) = 9000]

* At the same time Banks should be allowed to generate loan money and sanction loans/advance to customers up to 9 times the value of its capital money but not more than 9 times of its capital money. That means if a bank's initial capital money is Rs 1000 it can generate and sanction loans/advance up to Rs 9000 crores if it handles Rs 18000 crore in all its customers' accounts.

* So a bank's loan generating capacity depends on two factors 1] its capital money 2] it total money handles. [For example if a bank has 1000 crore has its capital money, the total money it will be allowed to handle from all its accounts is 18,000 crore rupees. So with the capital of 1000, the total money supply the bank can handle is 1000+18000= 19000. With this total money supply this bank handles, the loans sanctioned by this bank should not exceed the value of 47.37% of 19000crores] = 9000. With the 1000 as it capital money, the maximum level of this bank's money handling capacity of 19000 crores = 9,000crore loan money [maximum level] + 10,000 crore real money]. As the bank's capital money increases its money handling and loan generation capacity will increase correspondingly.

*A bank's money supply handling capacity with 100 as its capital will be at the level of 100 when the bank has zero accounts at the launching time and it can reach up to at the maximum level of 1900 with increase of accounts.

*A bank's loan money generation capacity with 100 as its capital will be at the minimum level of 47 and at the maximum level of 900 when the bank reaches the maximum level of total money it handles reaches 1900. On the first day with 100 as its capital the bank, without any accounts, can generate and sanction loans up to 47 only. If their accounts increase, the money it handles also increases and correspondingly the money generation capacity also increases up to the maximum level of 900 when total money it handles in all its accounts reached the maximum level of 1900.

* Banks should not be allowed to use or withdraw its capital money by its promoters for any purpose other than paying salaries, stationery or other running or operating costs of the bank. That means the initial capital money cannot be used for any other purpose or withdrawn by its promoters. The bank should not lend its capital money and it should remain in its own bank account. It should be remained stationery in the bank account or its branch accounts as long as it runs the banking business. But he promoters or owners shall be allowed to withdraw profits, if any, over this initial capital money at their own choice.

* Whenever branch issues its loans/advances to customers the loan amount generated by a bank increases and whenever a customer repays loans the bank's generated loans decrease. The total loans generated by a bank should be within the two limits as prescribed above.

* The interest on the loans, when paid by a customer, should be added to bank's capital money. When customers pay interests the bank's capital increases. Bank's profits will also increase when customers pay user charges for different services the bank provides. When bank pays salaries or spends towards operating cost its capital decreases. Bank's capital money minus its initial capital money = bank's profits.

* A bank's profits include the total interest paid by its customers and the service charges paid for different services it provides minus its operating cost.

* A bank's income from interest payments alone would be as follows.

1] When Bank's own capital money = Rs 1000 Crores

If total money in all its customers' account = 0

Then the bank's maximum loan generating capacity = 47.37% of 1000 = 473 crores

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The bank's annual income from interest alone = 3.5% of 473 = 16.5 crores per annum [excluding user charges + service charges]

2] When a bank's own capital money = Rs 1000

If total money in all its customers' accounts at the bank's maximum money handling capacity = RS.18000 crores

The bank's total loan generating capacity at maximum level = 47.37% of [1000 + 18000 =19000] = Rs 9000 crores

The bank's income at the maximum loan generating capacity = 3.5% of 9000 = 315 crore

So with Rs 1000 as capital money, a bank can earn income up to 315 per annum at the maximum loan generating capacity of Rs.9, 000 crores which is possible at the maximum money handling capacity of 18,000 crores in all its customers' accounts. In addition to this income there will be income from service charges and user charges paid by customers for different services.

The total bank profits = the income accrued from interest and user charges – bank's operating cost.

*When the bank starts the business it has to exchange 0.6% of its digital capital money with physical money at the Central Bank. Now the newly started bank's capital money will be in 99.4% digital money and 0.6% in physical money

*The central bank's physical money decreases by that amount and its Digital money increases by the same amount when the new bank transfers its capital digital money to the Central bank's digital money.

When the newly started bank opens branches it has to transfer sufficient amount of its digital capital money and physical capital money into new branches' accounts to start the business

* The bank shall be allowed to operate any number of branches.

* Some portion of this bank capital money [physical and digital money] shall be transferred to its branch accounts to exchange cash with digital money with customers.

*When a customer withdraws money at the branch or its ATM, the digital money in the customer's account decreases, and the digital money in the branch account increases while branch's physical money decreases -When a customer deposits physical money at the branch, the digital money in the customer's account increases and the digital money at the branch account decreases and its physical money increases

*At all times the capital money [digital + physical] at bank branches should remain the same. The expenditure cost of all branches should be paid from the bank's capital money. The bank's capital money in its account and [digital money + physical money] in all its branches' accounts is the total bank's capital money.

* Interest payments on loans, user charges service charges should be added to the bank capital.

Bank's initial capital increases when interest payments, user charges and services charges are added to the bank capital. The bank capital decreases when banks spend money towards salaries, stationery, rents etc.

* From time to time the bank shall transfer its capital money to branches if necessary for smooth functioning of the branches.

*Bank's capital money should be used for exchange of digital money or physical money with customers and paying for running expenditure.

* The customer can change the host bank for his account at any time if he has not taken any loans from the bank. If he has taken loans, he has to repay all loans to the present host bank before he shifts his account to the new host bank. If the new bank agrees to take all customers' loans from the present host account to its account then the customer can shift his account to the new host bank without repaying the loans to the present host bank.

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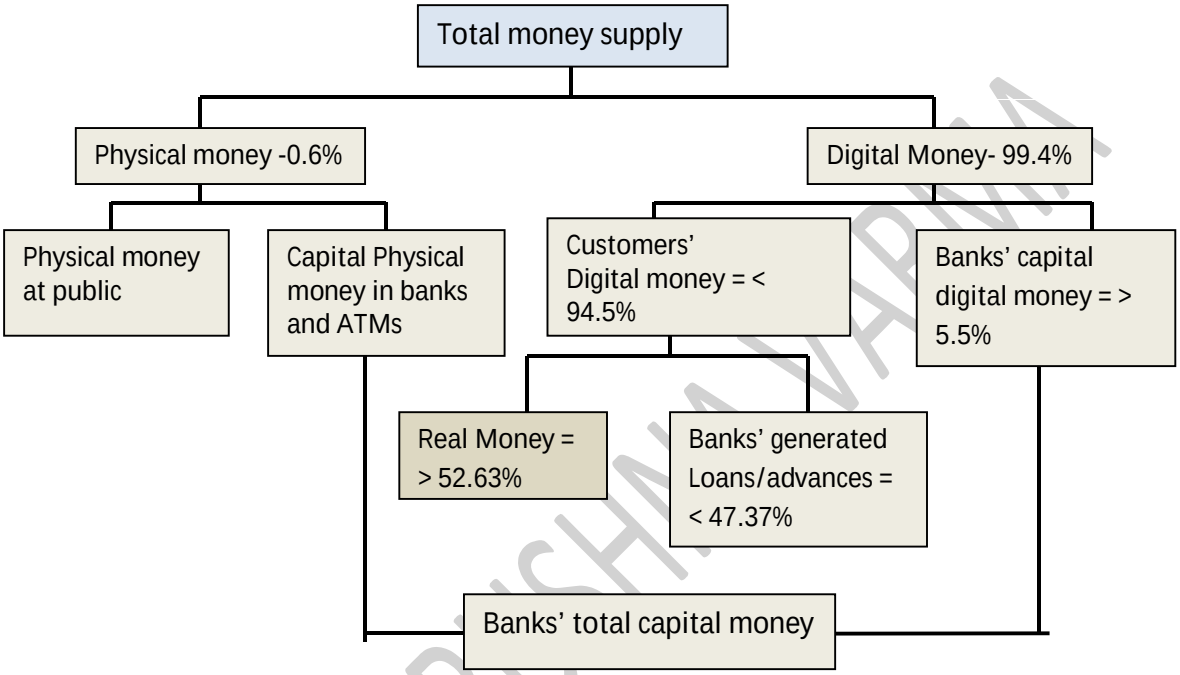
* Each bank shall handle on an average 2,000 accounts. India need 5,00,000 branches. There shall be many banks which will run banking business through thousands of braches. Every citizen should have a bank account and it should be made compulsory. Each bank branch will have an ATM at its own premises. Total number of ATMs =Total number of Bank branches. Money will be put in the ATM machines by bank branches. So No third party or agencies are required to deposit cash in the ATMs.

Money types and money supply in banking system



Money types, percentages and Volume of money supply in new expanded banking system
Total money supply = total digital money 99.4% + total physical money [0.6%]
Total physical money = Physical money in banks + physical money at the public
Total digital money = customer digital money < 94.5% + Bank capital digital money > 5.5%
Banks Total capital money = Banks' capital digital money + Banks' physical money
Total money supply = Banks total capita money + customer digital money
Customer digital money = Loans generated by banks < 47.37% + Real money 52.63%
Real money = Total money supply – Loans generated by banks
Bank's capital money should be more than 11.11% of total loans generated by a bank
Bank's capital money should be more than 5.55% of total digital money of all customers it handles
Total money supply varies between 0 to 0.6%
If we assume that half of the total physical money of 0.6% is at the public then the total unaccounted money in this new banking system is just 0.3% of total money supply that is equal to 0.3% of GDP value. Only this small 0.3% of total money supply will be unaccounted and out of the economic system. That means 99.7 % total money supply is fully accounted and the black money will be almost gone.

Bank capital money -

1. Government should give licences to any individual or financial institution or public limited companies which have capital investment of minimum Rs. 1000 crores.

2. This is security deposit to run banking business.
3. This deposit in Bank's Account is bank's capital money. It is called as fixed money or static money because the bank should not use its capital money as long as the bank runs banking business. It should remain untouched by the banks. The bank's profit like interest payments on its advance, services charges, user charges will be added it its capital money. This profit money got from interest on loans, service charges and user charges can be used to pay salaries and towards other operating costs of that bank. Bank's profits are from interest payments, service charges, ownership transfer charges

There may be hundreds of banks in the country. Each bank may have thousands of branches. Each bank may handle thousands of accounts. There should be a bank for the population of every 2500 people. For example in India it requires 5, 00,000 bank branches. So on an average a bank will handle roughly 2000 accounts. [Every citizen above the age of 15 years should have Main Savings Account]

All these banks are under the total control of Central Bank.

1. Total Money Supply handled by a bank branch

The money recorded in any account is called digital money. The digital money of all accounts handled by a bank branch is total digital money it handles at a particular point of time.

The total digital money handled by a bank branch + the total physical money at the branch and in its ATM is the total money supply handled by the bank branch at a particular point of time

The total loan money/advance given to all its customers is equal to total loan money/advances given by that branch at a given particular point of time. Note- All these figure will continuously change at every transactions made at the branch

2. Total Money Supply handled by a Bank

The digital money handled by all its branches and the bank's capital money is the total digital money in that bank at a given particular point of time.

The total digital money handled by all branches of a bank + the total physical money at all the branches and in all ATMs + the physical money at it own chest + bank's capital money is equal to the total money supply handled by that bank at a particular point of time.

The loans/advances given by all the branches of a bank is the total loans/advances given by that bank at a particular point of time.

The total money supply handled by a bank minus the total loans/advances given = the total real money handled by that bank.

Note- All these figure will continuously change at every transaction.

The total loans/advances given by a Bank through all its branches should not be more than 47.37% (if CRR = 10%) of the total money supply the bank handles. That means the total loans/loans given by a bank through all its branches should not be more than 90% of the total real money the bank handles. In other words the real money handled by any bank should be at the minimum level of 52.63% total money supply the bank handles. Note – These restrictions do not apply at the branch level.

The total loans/advance of any bank should not exceed the 9 times the value of its capital money/security deposit money.

The total money supply that can a bank can handle through all its branches should not be more than 18 times the values of its capital money.

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3. Money Supply at Central Bank - Total Money Supply handled by the Central Bank

*The digital money handled by all banks in a country + the digital money in government account and the Central bank's digital money = the total digital money in that country at a particular point of time.

*The total digital money [D] handled by all banks in a country + the total physical money handled [C] by all banks and in all ATMs + the physical money at Central bank [C1] + digital money [D1] at Central bank + digital money in government account is equal to the total money supply in the entire country at a particular point of time. All this money supply will be controlled and handled by Central bank.

*Loans/advances given by all banks in a country are the total loan money in the country.

*Total money supply [K] minus total Loan money = total real money in the country.

Here are the examples of A bank's branch account, the bank account and Central Bank Account

A Bank's Branch Account module - Download this bank account module from website – www.vijayavarma.com or www.singletax.org

– A Bank shall have many branches. The figures in Table – 1 show the total value of money supply of all accounts a branch handles. These figures are given for example only and they are imaginary figures

Table – 1 Figures in rupees [example]

Physical Money[A] at the branch and in ATM	Branch Digital Money B	Total physical Money and Digital money of Branch C=A+B [branch capital Money] =C	Digital Money of all Customers+ Branch Total capital money= K =C+D	All Customers DIGITAL Money in the Branch = D	Total loan Money [E]	Total real money F=D+C-E F=K-E
10,00,000	1,00,00,000	1,10,00,000	19,10,00,000	18,00,000,00	9,23,70,000	9,96,30,0000

The above figure shows one of a bank branch's money supply balance sheets at a particular point of time. There may be thousands of branches a bank operates

A Bank Account Module - Table – 2 shows a bank's cumulative money supply balance sheet of all its branches at a particular point of time.

Figures in crores [example]

Bank Digital Capital Money= [B1]	Capital Physical money in Bank = A1	Total Physical Money of all Its branches, In ATMs and its chest = [A]	Total capital digital Money of all Its Branches + Bank digital capital money = [B]	Bank's total Capital money [Digital+physic] C = A+B	Total digital money in all accounts of its branches =D	Total money Supply handled by bank through all its branches K=C+D
2,000	50	150	7,000	7,150	1,25,000	1,32,150

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Total loan/advances of all Branches [E]	Loan money Percentage to total money supply handled by all Its branches L	Total Real money F= C+D-E = K-E	Banks Profits= Bank present Capital Money –initial Capital money = P	Bank capital Money ratio to bank's Total digital Money bank handles = Q C should be > 5.5% of D	Bank capital money ratio to total loans/ advances generated by bank = R C should be > 11.11 % of E
61,172	46.29%	70978		>1/18 of D	>1/9 of E

The Central Bank Account Module – This is an example of central bank account. There will be only one Central bank under which all banks operate with thousands of branches at the ratio of one bank branch for every 2500 people in a country. The Central bank account handles the cumulative money supply in the country assisted by many banks through thousands of branches.

Table- 3 Figures in crores [example] shows total money supply in the economic system operated by Central Bank through all its licensed banks with lakhs of branches that are equal to one branch for every 2000 people

Total Physical Money in Central bank [A1]	Total digital money of central bank [B1]	Total Digital Capital Money Of all Banks = [B2]	Total loans/ Advances given by all banks [E]	Total physical Capital Money of all Branches of All banks = A2	Total capital Money [digital + Physical] of all Banks C = A2 + B2	Total digital money in all customer accounts in all branches of all banks in the country = D
5000	200000	4,00,000	36,48,513	45000	4,45,000	74,85,000

Total Money Supply In the Country K = A1+A2+ D+B1+B2	Total Real Money F = K - E	Total Foreign Exchange H	Loan money % to total money supply L	Capital Money share To total Digital Money of All customers = Q C > 5.5 % of D	Capital Money share to To total Loans Generated R should be C > 11.11% of E	
81,35,000	44,86,487	$100000	44.84%	1/16.8	1/8.2	

* The minimum capital to run banking business should be Rs 1000 Crore.

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1. The bank can generate loan money up to 47.37% value of total digital money it handles in all accounts through all its branches.
2. The total loans/advance should not exceed 9 times the values of its own capital money
3. The total digital money in all customers' accounts it handles should not exceed 18 times the value of the bank's capital money.
4. The total digital money in all customers' accounts + the total bank capital money [digital money and physical money] = the total money supply it handles
5. Bank's capital money should not be less than 1/18 times the value of the total digital money in all its customers' accounts it handles. That means bank capital money should be more than 5.5% of total digital money in all its customers' accounts.
6. The total money supply – total loans generated = Real Money
7. The real money should always be more than 52.37% total money supply a bank handles
8. The generated loan money /advances will be added to the customers' digital money and money supply increases. When bank generates money the money supply increase
9. When customer repays loans the loan generated by a bank decreases and money supply decreases.
10. The interest paid will be added to bank's capital money and it increases. Money supply remains the same when interests on loans are paid.

*Each customer should be allowed to withdraw only Rs 5,000 per month from his/her savings account even though he/she has huge amount of money in his/her savings account. The customer has to spend his/her remaining earning through debit card, cheque or online money transfers. The monthly withdrawal limit in cash should be Rs. 5000 per month.

*Total physical money of a Bank = total money in its own chest and at all its branches and ATMs

Bank capital money = It's initial capital amount + profits if any

Total digital money = Total digital money in all customers' accounts handled by all branches and bank's own digital capital money.

Total loan money = Total loan money given by all its branches. The total loans/advances should not be more than 90% of the total real money in all accounts it handles and it should not be more than 47.37% of total money supply in that bank. Total real money = Total money supply - Total loan money.

Total number of ATMs =Total number of Bank branches. There should be a bank branch for every 2500 people. Each bank branch will have an ATM at its own premises. Money will be put in the ATM machines by bank branches. So No third party or agencies are required to deposit cash in the ATMs.

The money supply change at every transaction that takes place at a branch or at a bank or at the Central bank [From above tables] Money changes Module
Download money changes modules from website - www.vijayavarma.com

Function -1

When a customer deposits physical money in his/her account at a bank
The digital money D increases in his/her MSA/SSA account
The digital money at bank branch decreases
The physical money at branch increases
The values of K and F increase at bank branch
The values of A,D, K, F in Bank account increase, the values of B, L in bank account decrease
The values of A2, D, K, and F increase at Central Bank, the values of B2, L decreases at Central Bank

Function – 2

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When a person withdraws money from ATM or at a bank branch

Digital Money D decreases in his/her MSA/SSA account
Digital money B increases at branch account
Physical money A at bank branch decreases
The values of B, L increase in Bank account, the values of A, D, K, F decrease in Bank account
The values of B2, L increase in Central Bank account, the values of A2, D, K, and F decrease in Central Bank account

Function -3

When money transfers from one account to another account through online transfer, debit card or cheque - Intra bank transfer

The digital money in the in the D transferor account decreases, an additional 4% [TOP TAX] of this amount from transferor account will be transferred to Central and State bank combined Account and its Digital money increases.
The digital money in the transferee account increases
The values of D, F in branch account decrease
The values of L increases in Bank account, the values of D, K, and F decrease in Bank account

Function -4

When money transfers from one account to another account through online transfer, debit card or cheque – Inter-bank transfer

The digital money in the in the transferor account decreases, and additional 4% [TOP TAX] of this amount from transferor account will be transferred to Central and State bank Account and its Digital money increases.
The values of D, F, and K decrease in transferor branch and bank accounts and L increase
The values of D, F, and K increase in transferee branch and bank accounts and L decrease

Function 5 - When a customer shifts his account with some digital money in his account [Note- Savings accounts in this new banking system are portable accounts with same account numbers] from one branch to another branch of the same Bank [intra bank savings account transfer] – The values of D, K, F decrease in the present branch account. The values of D, K, and F increase in the new host bank branch

Function 5 A - When a customer shifts his account [Note- Savings accounts in this new banking system are portable accounts with same account numbers] from one branch to another branch of the different Bank [inter - bank savings account transfer]

The customer can change the host bank for his account any time if he has not taken any loans from the bank. If he has taken loans from the present host bank, he has to repay all loans before he shifts his account to the new host bank. If the new bank agrees to take all customers' loans from the present host account to its account then the customer can shift his account to the new host bank without repaying the loans to the present host bank.

Function 5 B When a customer shifts his account without loans in his account

The values of D, K, and F decrease in the present host branch.
The values of D, K, and F decrease in the present host bank
The values of L and Q increase in the present host bank
The values of D, K, and F increase in the new host branch
The values of D, K, and F increase in the new host bank

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The values of L and Q decrease in the new host bank

Function 5 C When a customer shifts his account with some digital money in his account and with all loans in his account if the new host bank agrees to take all loans

The values of D, K, and E decrease in the present host branch account and its bank account
The value of Q and R increases in the present host bank account
The value of F decreases when customer's digital money D is > customer's Loans
The value of F increases when customer's digital money D is < customer's Loans
The value of L increases when customer's D is > customer's loans in the present host bank account
The values of L decreases when customer's D is < customer's loans in the present host bank account
The values of D, K, and E increase in the new host branch and in the new host bank
The value Q and R decreases in the new host bank account
The value of F increases when customer's digital money D is > customer's Loans
The value of F decreases when customer's digital money D is < customer's Loans
The value of L decrease when customer's D is > customer's loans in the new host bank account
The values of L increase when customer's D is < customer's loans in the new host bank account

Function 5

When bank gives loans

The customer digital money increase
The values of D, E, and K increase at bank branch
The values of D, K, E, and L increase in Bank account, the values of Q, R decrease
The values of D, K, E, and L increase in Central Bank Account, the values of Q, R decrease

Function 6

When loans [principle] amount are repaid

The customer digital money decrease
The values of D, E, and K decrease at bank branch
The values of D, K, and L decrease in Bank account, the values of Q, R increase
The values of D, K, E, and L decrease in Central Bank account, the values of Q, R increase

Function 6 A

When interest on loans are paid

The digital money in customer account decrease
The values of B and C increase in branch account, the values of D decrease
The values of B, C, P, Q, and R increase in Bank account, the value of D decrease
The values of B2, C, Q, R increase in Central Bank account, the value of D decrease

Function 7 A - The user charges, services charges on registrations and ownership transfer rights for movable and immovable properties like lands, plots, flats, vehicles, gold shares etc. will be added to bank' capital money. The bank's capital money increase whenever the above charges are paid and added to bank's capital money decreases whenever banks pay salaries and other operating expenses

The values of B and C increase in branch account, the values of D decrease
The values of B, C, P, Q, and R increase in Bank account, the value of D decrease
The values of B2, C, Q, R increase in Central Bank account, the value of D decrease

Function 7 B

When bank spends money towards salaries, rents, stationery etc.

The amount in its capital decreases.

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The digital amounts in recipients' MSAs/SSAs - D increase.
The values of B and C decrease in branch account, the values of D increase
The values of B, C, P, Q, and R decrease in Bank account, the value of D increase
The values of B2, C, Q, R decrease in Central Bank account, the value of D Increase
There will be no changes in the Central bank account

Function 8

When payments are made to the foreign accounts
A] The digital amount D in MSA/SSA of transferor decreases.
B] The values of D and F decreases in branch's account, the values of D, F and K will decrease in the bank's account, the values of C, D and H in central bank account decreases, the value of B1 in central bank account increases.

Function 9

When foreign remittances come to India

The value Foreign exchange [H] in central bank account increases
A] The digital money D in customer account increases.
B] The values of D and F increases in branch's account, the values of D, F and K will increase in the bank's account, the values of C and H in central bank account increases, the value of B1 in central bank account decrease and the value of D in Central bank increase
Note – There should be Central bank branches at all international airports. All incoming passengers should deposit the foreign currency dollars, Euros etc., brought with them from abroad, in the banks at the airport before they leave out of airport. The equalling value of Indian currency will be credited to their MSA's
Carrying and holding of any foreign currency anywhere in India outside the premises international airports should be banned.

Function 10

When Indian currency goes out of country while imports or foreign tours or foreign investments
The value Foreign exchange [H] in central bank account decreases
The value of digital money [B1] at Central Bank increases, the total digital money of all banks [D] recorded at Central Bank decreases. But Total money supply [K] recorded in the Central Bank remains the same.
The amount in MSA/SSA of account holder, who imports or need foreign exchange for various reasons decreases,
The values of [D] and [F] will decrease in branch's account; the values of [D], [F] and [K] will decrease in the bank's account. The loan percentage to money supply in that bank increases.
Note – There should be Central bank branches at all international airports. All outgoing passengers, who go abroad and need foreign exchange, can take dollars or Euros from bank branches at the airport. The equalling value of Indian currency will be debited from their MSA's
Note - Carrying and holding of any foreign currency anywhere in India outside the premises international airports should be banned.

Function 11

Every year, additional real money equalling 52.63% of the value of the growth in the GDP, should be added to the Government account (out of thin air) at the time budget presentation to check deflation and recession. The additional money that should be added every year = 52.63% x [value of GDP of

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present year - the value of GDP of previous year]. That means there will be fresh real money originated from Government account every year that is equal to the value of 52.63% of growth rate of GDP.
99.4% of this additional money shall be added as digital money directly into the Central Government account
0.6% of this additional money shall be added in the form of physical money as Rs 10, Rs 20 and Rs 30 in currency notes and Rs. 5, Rs, 2 Rs 1 coins
This physical money should be deposited in the chests of Central Bank.

When additional money is added to Government account or Central bank account real money [F] and total money supply [K] increases
When government spends money through social welfare schemes and investment infrastructure projects this additional money will mingle in the existing money supply
The money in MSAs, SSAs and CANs increases
The value of digital money [D] and Total real money [F] at branch account increase [table -1]
The percentage of loan money to the real money [F] decreases
The values of digital money [D] and Total real money [F] and total money supply [K] of bank account will increase [table -2]
The values of total digital money [D] real money [F] and money supply [K] increase at Central Bank
The value of [C] at Central bank increase

Function 12

When fresh money is printed it first should be added to the Central bank's chests.
A] The value of C1 and K increases in central bank account
Function 12
When bank need physical money, then the equalling digital money from its Capital [M] should be transferred to Central bank. The physical money from the chest of Central Bank will be released to the bank which transferred digital money to the central bank
B] Then the values of C1 decreases and the values of D1 increases in Central bank account
C] The value of C increases in Bank's account and the values of Bank's M decreases. But the total money supply [K], in the bank will remain the same. The physical money can also interchanged between the different banks with digital money.

Note- Every bank branch should have its own ATM in its bank's premises. At the ratio of one bank branch for every 2500 people there would be 500000 lakh bank branches and ATMs in the country. That means there would be a bank branch and ATM in every village and a colony in urban areas. So there would be no need to maintain separate ATMs outside bank branch premises. This branch should maintain money in its own ATM. The deposited money at the branch should be used to cash withdrawals and money replenishment in the ATM. If there is shortage of money at any bank branch, its head bank should adjust money to all its branches. No third party should be given job of putting money in the ATM's.

Ultimate Tax Reforms can be achieved through liberalised banking sector- With liberalised banking license banking services can be expanded at the ratio of one branch for every 2,500 people and all citizens are given Main Savings Accounts
The Main Savings Account in the expanded banking system will help Government abolish all Direct and Indirect taxes accompanied by tax laws, accounting, auditing and tax returns. Ultimate Tax reforms will relieve 7 billion people of the world from the cobweb of ambiguous and complex tax structures,

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plethora of tax laws, mandatory and cumbersome accounting, auditing, tax returns and consequent quagmire of all tax related cases. Download the Main Savings Account module

http://vijayavarma.com/wp-content/uploads/2014/08/Main-Savings-Account-VARMA.xlsx

http://taxreforms.net/wp-content/uploads/2012/06/Main-Savings-Account-VARMA.xlsx

The working modules for expanded banking system are available on websites to download www.vijayavarma.com www.singletax.org www.taxreforms.net

The liberalised license policy is for the purpose of providing a banking service for every citizen of the country.

* There should be one bank branch for every 2500 people. That means there should be a bank branch in every village or colony with a population of 2500 people. India need 5,00,000 bank branches and minimum of 15 lakh bank employees. See Bank's operating cost and profits on page 57 onwards.
* The government should bear entire cost of the rental charges, internet charges and current charges of bank branches situated in rural areas to promote establishing bank branches at the ratio of one branch for every population 2500 to 3000 people.

Multi dimentional Main Savings Account

- It is the main keel of this restructured banking. Download the module of Main Savings Account from the website www.vijayavarma.com or www.singletax.org

Purpose of this multi dimensional account [portable savings account]

1. This savings account can be used for receiving, storing and spending of money.
2. It can be used for buying, selling and holding property rights of immovable properties like lands, plots, flats and commercial establishments.
3. It can used for buying, selling and holding properties rights of movable properties like vehicles, gold etc.
4. It can used for buying, selling and holding shares
5. It can be used for getting driving license, passport, birth certificate, voter ID card, ration card, pension, relief funds, subsidies, and compensation.

Application of this new restructured banking system:- Banking is expanded so that taxation, tax collections, tax enforcement, tax compliance, registration departments, pass port offices, land registration departments, vehicle registration departments, share transactions, Public distribution system, census department, revenue department can be unified and integrated in this new banking system.

Salient features

Fully liberalised and self regulating banking sector

1. Automatic adjustment of money supply in banking system without any external regulators
2. No external regulators needed to control inflation and deflation.

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3. Portable savings account. Customers can shift their accounts with same account number from one bank to another bank at any time without need for closing their accounts in the past bank and opening in the new bank.
4. Portable savings account number. It is valid, active, permanent and portable during his/her entire life period from the time it was given and up to his/her death.
5. No non-performing assets [NPA]
6. Loans can be sanctioned within 5 minutes without need for documents, encumbrance certificates, legal opinions, mortgages.
7. Easily distinguishable real money and loan money
8. No common financial year for all accounts. Financial year of an account begins on the day it opened. There will be no need to submit annual tax returns. All accounts are involuntary taxpaying accounts.
9. Banks will only handle citizens' savings accounts. The banks are handlers of savings accounts and they do not own them.
10. Money, in this restructured banking, does not have storage value. It will have only transaction value. That means there will be no interest rates on demand deposits and fixed deposits. Money will have no depreciating value. In fact Rupee's value is more or less constant. Expansion and contraction of money supply according to the demand is automatic in this new banking system.
11. Total values of money supply, physical money, digital money, loans/advances, Real money Banks' capital money in the entire banking system can be known at any point of time.
12. Accounting in single monetary unit values without decimals/paisa. All accounts show in single monetary unit i.e. rupee. The physical currency will be Rs. 30, Rs.20, Rs. 10 notes and Rs 5, Rs, 2 and Rs. 1 coins only. The high value currency notes Rs. 1000, Rs. 500, Rs. 100 and Rs 30 should be demonetised.
13. By using this restructured banking system, single phase voting on single day can be held throughout the country with help of banking sector. No rigging, no impersonation of voting and no electoral mal practices can be possible in this new banking structure.
14. Electoral rolls/voter listed can be prepared and supplied to Election Commission by banks within one hour. These voter lists get updated at every second.
15. 100% accountable and transparent governance
16. No bankruptcy of banks
17. No third party or agencies required to deposit cash in the ATMs.
18. Economy can be run on limited paper currency. 99.4% of total money supply will be in digital form and only 0.6% of total money supply will be in physical form in Rs 30, Rs. 20, and Rs. 10 notes apart from Rs. 5 Rs. 2 and Rs. 1 coins.
19. Fixed CRR at 10%. It is permanent and there is no need change from time to time.
20. Fixed PLR at 3%@ per annum up 10 lakhs and at 4% per annum on loans above 10 lakhs.
21. Main savings account in this new restructured banking system is an involuntary taxpaying account just like respiratory system in human body. No tax returns, accounting and auditing required.
22.Banks' profits can be known at every day, every hour or even at every minute.
23. There will be no vacancy for cheating chit fund companies in this restructured banking system.
24. Easier and quicker liquidity of all assets that belong to a person or organisation into cash within minutes.

Advantages of Main Savings Account [portable bank account]

Every bank branch will become an E-Seva centre.

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1. Vehicle registrations and the transfer of ownership rights of vehicles can be made at any bank branch within 5 minutes. No regional transport offices are required.
2. Registration of properties like lands, flats, plots and all immovable assets can be made at any bank branch. Registration for selling/buying of properties can be made within 5 minutes. No registration departments are required.
3. There will be no tax collection expenditure for the Governments and no tax compliance cost for the people.
4. Citizens need not maintain separate account books and submit tax returns annually for paying either Direct taxes on personal incomes or Indirect taxes while running business or industry.
5. There will be no check posts, way bills, accounting, auditing, tax laws, tax raids, etc
6. Electoral rolls can be available at banks at any time as and when required by Election commission. The electoral rolls will get updated constantly at every second in banks.
7. Exact population figures can be available at every second.
8. Birth certificates, death certificates, rations cards, can be got at any branch within five minutes
9. People can get passports at any bank branch within five minutes.
10. Selling/buying of shares can be done at any bank branch.
11. There will be no multiple selling of the same property to different people and unauthorised selling/purchase and illegal occupation of other person's property without his/her knowing/consent will not be possible.
12. Total elimination of black money, fake currency, corruption and money laundering
13. Out of total money supply 99.4% will be in digital form and only 0.6% of total money supply will be in physical form.

2.....Method of Implementation: Basic model (India)

* The government should build the basic infrastructure [building premises and internet connections] for providing banking service for every village/suburb/town or colony having a population of around 2500 with the help of private sector banks and institutions. India need 5,00,000 fully fledged bank branches. Each bank shall handle approximately 2000 accounts on average.
* Banking licence should be fully liberalised.

In this new banking system there will be three types of accounts. The three types of bank accounts are called 1 Main Savings Account 2 Sub Savings Account [SSA] and 3 Corporate Account Number. All these accounts are portable bank accounts

* Every bank branch should have computers that should be capable of taking biometric inputs [finger print images and iris images] for opening new savings accounts. The collected biometric data of iris and finger prints of an individual will be encrypted and sent to the database in the servers of super computers at RBI. Using this encrypted biometric data, a Main Savings Account number [MSA] will be generated at the servers maintained by the Central Bank. If the user tries to provide the same biometric to open another account in the same branch or another branch anywhere in the country, the main server should be able to identify and reject the new account generation for the same individual. There should not be multiple generations of account numbers with an individual's same biometric data [finger prints and iris]

*It should be made mandatory for every citizen above the age of 15 years to take a Main Savings Account in any bank branch.

* The servers should have the capacity to handle 150 crore individuals' data and be able to handle 1500 crore transactions every day.

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*After establishing sufficient number of banks/service centres by the Government (for example, India) with the help of private sector banks and financial institutions, all the citizens above age of 15 years should be asked to open Main Savings Accounts at any bank within 30 days without need for any initial deposits. It can be opened with zero balance. Indians, who reside outside India, should be given six months time to open Main Savings Account at any branch in India. All these bank branches are connected to central servers. No second generation of Main Savings Account number of any person would be possible with the same data of his/her finger and iris images. There after no new Main Savings Account should be given to any individual. From here after anyone who does not have Main Savings Account should be deemed as illegal migrant. All new babies born are to be are recorded in their mothers' personal account in her Main Savings Account within three months of their birth. In case of orphans they should be recorded in Government's social welfare ministry account. Once they get the age of 12 years the banks generate their Main Savings Account with the digital recording of their finger print images and iris data. After the initial launch of this system there should be no generation of Main Savings Accounts for individual who are not recorded at the time of their birth either in their mothers Main Savings Account or Government's social welfare ministries' account.

* A person's Main Savings Account number will remain same for his/her entire life time. He/she can change the bank at any time but the account number will remain same. That means the Main Savings Account number is portable, active and permanent during his/her entire life period. These permanent Main Savings Account numbers cannot be changed. These account numbers will become ceased or closed only upon death of the account holder.

Usage of Main Savings Account

Unlike savings account in the present banking system, this Main Savings Account consists of 5 sub accounts. It is a combination of 1] Money Account 2] Land Savings Account [LSA] 3] movable property account (MPA) 4] Shares Account (SA) 5] Personal Account (PA).

The MSA shall be used to deposit, withdraw, receive or pay salaries, professional fees, service fees, remunerations, donations, loans etc The Main Savings Account (MSA) should also be used for buying of shares, land for agriculture or industrial purpose, plots, flats, gold, jewellery, vehicles, commercial establishments or any other movable or immovable property. Main Savings Account is also needed to get driving licence, passport, voting right, subsidies, funds, monthly ration, pensions, remittances and loans (personal, agriculture, business, educational and industrial) and for getting compensation/exgratia/relief funds in the event of natural calamities like cyclones, earthquakes, floods, famines, accidents, etc,

From here onwards this restructured banking system is called "TOP TAX SYSTEM"

At the initial launching of this "TOP TAX SYSTEM", all the persons above the age of 12 years will be given the Main Savings Account numbers. It should be mandatory for every citizen above the age of 12 years to have Main Saving Account. Children below the age of 12 years will be registered in their mother's or father's or guardian's or social welfare ministries' or NGO's account. From there after every child will get Main Savings Account once he/she reaches 12 years of age. Although this account number is given and registered in the mother's Main Savings Account within one month of child's birth, it will be activated and come into live account only when the child reaches 12 years of age as decided by the Government. A person's Main Savings Account will become operational and start functioning from the age of 12 years as decided in the particular country. In case of orphans the account numbers will be registered in the social welfare ministries' accounts and it should be made

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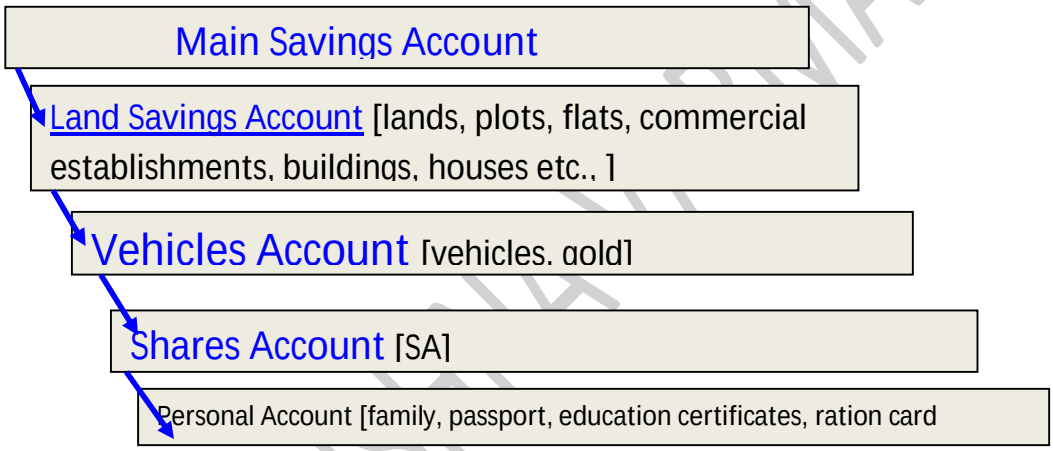
mandatory for State Governments to look after every orphan's well-being and care till he/she reaches the age of 20 years and he/she gets employment.

https://bankingredefined.files.wordpress.com/2015/01/portable-bank-account.xlsx

http://vijayavarma.com/wp-content/uploads/2014/08/Vehicles-Savings-Account-Module-VARMA.xlsx

https://bankingredefined.files.wordpress.com/2015/01/bank-account-module1.xlsx



The 15 digit Main Savings Account number will act as money savings account, movable property account, immovable properties account, shares account, citizenship card, taxpaying account, ration card, Pass port and voter identity card.

An example of Main Savings Account number –

→ 210801101456789

The first two digits from left side 21 indicate the day, the next two digits 08 indicate the month and the next three digits 011 indicate the year when the Main Savings Account is issued to the person or his/her birth year. Although this account number is given and registered in the mother's Main Savings Account within three months of the child's birth, it will be activated and become into live account at the age of 12 or 15 years as decided by the Government. A person's Main Savings Account will become operational and start functioning from the age of 12 or 15 years. In the case of orphans the account numbers will be registered in the social welfare ministry's account and it should be made mandatory for State Government to look after every orphan's care till he reaches 20 years and until he/she gets employment. That means there will be no street children and child labour.

The eighth and ninth digits from the left side [01] denote the main savings account. It is common for all Main Savings Accounts. The last six digits 456789 are serial numbers of the Main Savings Accounts. That means on each day the nine digits from the left side will remain same. The last six digits from right side will be from 000001 to 999999. The person can choose his/her Main Savings Account number from the available numbers. With the change of date, month and year the last six digit serial numbers

will repeat. For every 999 years the 15 digit Main Savings Account numbers will repeat once again. Once taken/given, the Main Savings Account number is permanent for his/her entire life. From then he/she can choose any bank to maintain and operate his/her MSA. As said earlier MSA is portable bank account. The MSA will contain 5 sections/sub accounts. A person's money, immovable properties, movable properties, shares and family details will be maintained in different sections/sub accounts of a person's Main Savings Account. The 5 sub account numbers of Main Savings account are same except the ninth digit. If the ninth digit is 1, it is money account. 210801101456789 This number implies that 21-08-011-01-456789

[Date-month-year-MSA-serial number]

If the ninth digit is 2, it is immovable property account.

If the ninth digit is 3, it is movable properties account.

If the ninth digit is 4, it is shares account.

If the ninth digit is 5, it is family account.

The overview of a Main Savings Account ⟸ click here to download

Main Savings Account 210801101456789	210801101456789	Main Savings Account /MSA
	210801102456789	Immovable properties/ Land Savings Account
	210801103456789	Vehicles Account [MPA] movable properties
	210801104456789	Shares Account (SA)
	210801105456789	Personal Account (FA)

The user name, profile pass word, logs in password and transaction password are same for all these sub accounts of a person's Main Savings Account. Thus the Main Savings Account is a multi dimensional and multi functional single savings account for storing/using money, for buying/selling of shares, movable and immovable properties, for direct receiving of subsidies, pensions, relief funds, rations, scholarships etc., from the Government. The main functions of Main Savings Account are

* Money account is just like the present savings account where money will be stored and used. Money in flows (credits) and money out flows (debits) will be recorded in this account. Money can be used or spent through cheques, debit cards, credit cards, demand drafts and online transfers only. There will be no pay orders and other means of conveyance for money. Money flows will be only in five forms.

* Buying, selling or mortgaging of immovable properties like lands, plots, flats, house, commercial establishments etc., will be recorded in land savings account (LSA) of his/her MSA, which is managed by banks. Purchases and selling of immovable properties will be done through this account by banks.

*Buying, selling and mortgaging of movable properties like vehicles and gold will be recorded in the movable properties account (MPA) of his/her MSA.

* Buying or selling of shares will be recorded in the shares account (SA).

* A person's personal account is used as a ration card, citizenship card, voter card, passport, driving license, hall ticket for all exams, CV and insurance policy.

[B] Sub Savings Account (SSA)

Every citizen would be allowed to open any number of Sub Savings Accounts (SSA) by using the same MSA number, if he/she wishes to operate business or industry. He/she can also use his/her MSA to

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operate any business or industry. If he/she runs many industries or business activities, then he/she can open Sub Savings Accounts to run these industries or business centres in multiple places in the country. These Sub Savings Account numbers are also portable. People can change the banks to operate their Sub Savings Accounts at any time. Usually people, who run business or industry, will need Sub Savings Accounts. Generally 10% (approximately) of total population of any country, who run business or industries will need Sub Savings Accounts. Even individuals who do not run business or industry shall be allowed to open Sub Savings Accounts. In Sub Savings Accounts only money will be managed by banks.

An example of Sub Savings Account number

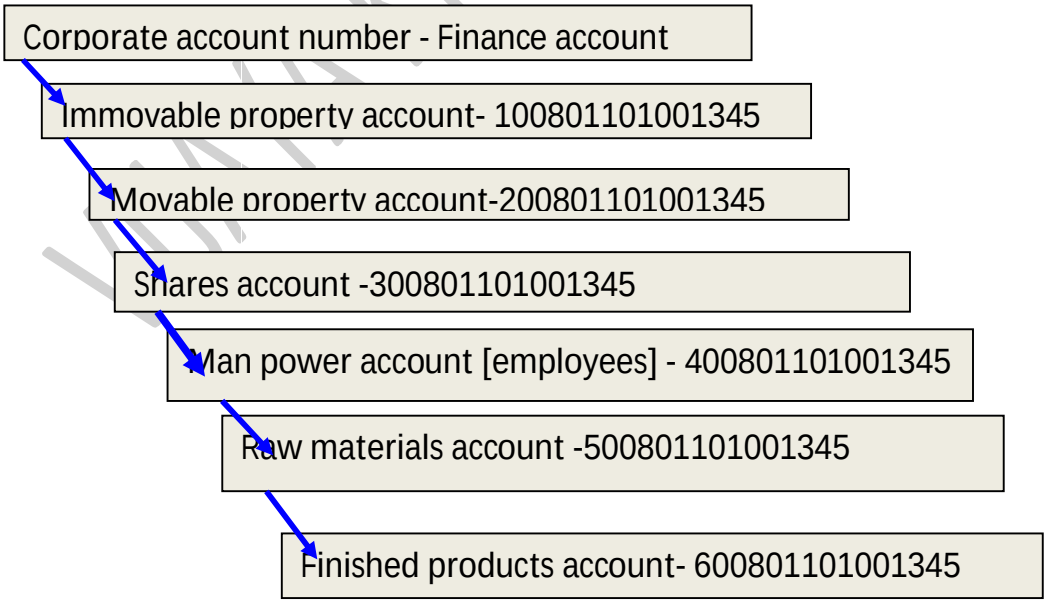
210801110456789 - The Sub Savings Account number of a person is same as of his/her Main Savings Account except the eighth and the ninth digits from left side. He/she can choose Sub Savings Account numbers from 10 to 99. The remaining 13 digits will remain the same as of his/her Main Savings Account number. That means the Sub Savings Accounts of a person are offshoots from his/her Main Savings Account. He/she can open up to 89 Sub Savings Accounts to run multiple industries or business activities located at different locations. If he/she needs more than 89 accounts then he/she will have to take Corporate Account numbers. These Sub Savings Accounts will be used to maintain money only.

The Sub Savings Accounts (SSA) and also the Main Savings Accounts (MSA) can be used for running business, industry, schools, colleges, hospitals, hotels, restaurants, construction, studios, services, or any other type of business. Just like MSA, the SSA can also be used to receive or pay salaries, professional fees, service fees, remunerations, donations loans etc,

210801110456789 –This number implies that 21-08-011-10-456789 [date-month-year-SSA-serial number]

[C] Corporate Account Numbers (CAN)

Corporate account is a seven layer account – it is seven layer accounts for 1] money operation, 2] immovable property account 3] movable property account 4] shares account 5] man power account 6] raw materials account 7] finished products account



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Under proposed TOP Tax system the accounting and auditing of the corporate or public companies will be mandatory and compulsory as in the present system for protecting the interests of the investors. Corporate or public companies, which issued share to public, will be given Corporate Account Numbers (CAN).

An example of Corporate Account number

000801101001345

The first three digits from left side are zeroes in all Corporate Account Numbers. The next two digits 08 indicate month and the next three digits 011 indicate the year of the account number taken. The eighth and the ninth digits 01 indicate the industry or sector codes. The next three digits 001 indicate the product code and last three digits 345 are serial numbers of industries registered in the same month. In the same month, the last three digits will repeat many times [possible 99,999 times if need] for different sectors/industries and for different products. 0008011101001345 This number implies that 00-08-011-01-001-345 [00-month-year-industry code-product code-serial number]

Corporate Account number 0008011010013 45	000801101001345	Money Account
	100801101001345	Immovable properties/ Land savings account (LSA)
	200801101001345	Movable properties account
	300801101001345	Shares account (SA)
	400801101001345	Man power account
	500801101001345	Raw materials account
	600801101001345	Finished products account

The corporate or public companies will have to operate all cash transactions through the Corporate Account Number (CAN) only.

An example of Central Government account number

222222010013456

In all Central Government accounts the first six digits 222222 from left side are twos. The next two digits 01 indicate ministry code. The next three digits 001 indicate department or institution code and the last four digits 3456 indicate serial numbers.

An example of State Government account number

333301010013456

In all State Government accounts the first four digits 3333 from left side are threes. The next two digits 01 indicate State code. From 01 to 99 the numbers are State codes. The next two digits 01 indicate

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ministry codes. The next three digits 001 indicate department or institution codes and the last four digits 3456 indicate serial numbers.

An example of Bank [Financial institution] account number 999000001456789

456789 is the bank [Financial institution] account number and 000001 is one of its branch code numbers.

For all bank accounts the first three digits are 999. The last five digits 456789 are bank account numbers. The banks can choose their account numbers available at the time of registration from 000001 to 999999. The middle six digits 000001 are that particular banks' branch code numbers. The bank can allot any code numbers from 000001 to 999999 to each of its branches.

Banks [financial institutions] operate MSAs, SSAs and CANs as long as the account holders want. But they would not own these accounts. These accounts are portable and can be shifted from any bank to any bank at any time.

Non Government organisation account numbers start with four 4's 444400000000000

Educational institutions numbers start with four 5's 555500000000000

Health care service institutions' account number start with four 6's 666600000000000

Trusts' account numbers start with four 7's 777700000000000

Usage of MSAs, SSAs and CANs:-

In the present economic system a person's or a company's money, movable or immovable properties(like vehicles, plots, flats, houses, factories, commercial establishments, lands etc.,) shares, family tree, insurance policies and all other assets are recorded, managed and handled by different departments, agencies or institutions.

But in the suggested TOP Tax system each individual above the age of 12 years will have one Main Savings Account consisting of five folders. Money, movable or immovable properties (like vehicles, plots, flats, houses, commercial establishments, lands etc.,) shares, family tree, insurance policies etc., are recorded, managed and handled in a single account called Main Savings Account (MSA) with five folders in case of individuals and in Corporate Account Numbers (CAN) with seven folders in case of companies which issued shares for public. These accounts namely, MSAs, SSAs and CANs will be maintained and operated by banks replacing different departments, tax collection and tax enforcement boards, agencies or institutions of the present economic system.

Thus people's money, shares, all movable and immovable properties will be in only one account (MSA) with different folders operated by banks.

1. Main Savings Account (MSA) - There will be only one compulsory and mandatory MSA for each person given by the Government. This MSA will have five sub accounts for each specific purpose of an individual.

The first sub account (Money account) will be used for storage and usage of money got through savings/earnings/incomes/donations. This MSA can also be used to run or operate any business or industry owned wholly by an individual.

The second sub account Land Savings Account shall be used for registration, storage and usage of ownership rights of all immovable properties like lands, flats, plots, commercial

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establishments, and etcetera. The ownership rights of these assets will be transferred from one person's LSA to another person's LSA while purchasing/selling/donating of these immovable properties.

Vivid explanation: - Land Savings Account/LSA In this suggested TOP Tax system the Land Savings Account of each person shall be utilised as the de-mat account of that person's ownership rights of immovable properties like lands, plots, flats, assets, factories and other establishments in the entire country. While purchasing or selling, the transfer of ownership rights of these assets/properties from one person to another person shall be made from one person's LSA to another person's LSA through banks/service centres. So the transfer of assets like lands, plots, flats, structures and other establishments will take place in physical form upon the transfer of ownership right of that asset in digital form from one LSA (seller) to another LSA (buyer). TOP Tax system suggests that total land record of the country should be dematerialised according to extent, location, mapping and ownership. The land belongs to people will be recorded in their respective LSAs. Similarly the land that belongs to Government, Government organisations, companies should be recorded in their respective accounts.

Repeat;- Under the TOP tax system the purchase of lands, plots, flats or other properties should be made through Land Savings Account (LCA), the sub account of Main Savings Account (MSA) operated by banks. If any person buys land, plot, flat or any other property anywhere in India the extent and nature of the property will be credited in his Land Savings Account and the same property will be debited from the seller' Land Savings Account (LSA). Whenever he/she sells any property that is credited in his LSA, the same will be debited from his/her Land Savings Account and the same property will be credited in the buyer's Land Savings Account (LSA). The credit in the LSA means purchase of immovable property and debit means selling of immovable property. The immovable properties will be in dematerialised form and the ownership rights can be transferred from one account to another account just like money transfers and shares. Just like shares there will be no paper documents for properties. Unlike cash transfers the buyer's presence and signature/authentication shall also be needed for any property transaction. A bank statement of the second folder (LSA) of any person's Main Savings Account will hold the entire ownership rights of that person's all immovable properties in the entire country. The People can get these bank statements of their properties at any time at banks in addition to weekly, monthly or yearly statements by post or e-mails or both. They will get phone messages and email statements immediately after each property transfer.

There will be no multiple selling of the same property to different people and unauthorised selling/purchase and illegal occupation of other person's property without his/her knowing/consent will not be possible.

Advantages of Land Savings Account/LSA:-

1. Land ceiling act

In the present system rich people are having huge tracts of agriculture lands in different districts and States making mockery of the land ceiling act. The registrations of lands, flats, plots and other properties are being made by the registration departments and land records are maintained by revenue departments.

In the TOP Tax system land ceiling act can be strictly enforced on individuals and no individual can have more than 20 acres of land in the entire country. Every individual will have only one Main Savings Account consisting of separate sub account called Land Savings Account for all immovable properties like lands, plots, flats, etc., All immovable properties, situated wherever in the country, along with all details of Survey numbers, boundaries, description, nature, map, geo location, village,

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district, state, extent and date of selling/buying of each property of each person will be recorded and maintained in Land Savings Account (LCA).

The Land Savings Account will be operated and maintained by banks just like money savings accounts. Debits and Credits of all properties will be made in the Land Savings Account while a person buys or sells his property. The total extent of land recorded in all Land Savings Accounts belonging to people, Governments, departments, organisations, companies, institutions etc., will remain exactly the same even after countless number of debits and credits each day. The Land Savings Account will show an individual's exact ownership rights of his/her all immovable properties. The total land extent in each Land Savings Account will never cross the upper limit of 20 acres (as envisaged in TOP Tax system) strictly adhering to land ceiling act. There can be absolutely no multiple selling of same property to different people. It will become impossible for any individual to own huge extent of lands (beyond land ceiling act) under different names in different locations of the country. TOP Tax system ensures that the land ceiling act can be implemented in totality to perfection making Government's task easier in pushing forward land reforms and allocating land to landless poor.

There will be no paper documents for all movable and immovable properties. Hence no separate registration and revenues departments are needed in the suggested TOP Tax system. Only land survey department would suffice to mark and clear boundary disputes.

2. Farm subsidies; - In present system 90% of total farm subsidies are being gobbled up by rich farmers (10%), while the small and marginal farmers (90%) are getting only 10% of total farm subsidies. This anomaly can be totally checked in TOP Tax system where Land Savings Account is a sub account of Main Savings Account operated by banks. According to records in Land Savings Accounts, the total farm subsidies (100%) would reach the small and marginal farmers while keeping away rich farmers from all subsidies. Here rich farmers means industrialists, contractors, professionals, celebrities, individuals, politicians, business class, salaried class (govt or private) etc., whose annual incomes are more than 2,00, 000 (other than agriculture income).

3. Farm loans; - In the present system getting farm loans by farmers is cumbersome, laborious, time consuming and bribery ridden exercise. Farmers need to go from one department to another department to get land documents, evaluation and encumbrance certificates, revenue certificates etc., after paying heavy bribes. Farmers are being forced to take loans from private lenders who charge high interest rates.

But Land Savings Account will make money borrowing by farmers from banks so much easy, instant, smooth, timely and time saving exercise. By using Land Savings Accounts the branch managers can sanction farm loans instantly based on land records in the LCAs.

4. Interest rates on farm loans

In the suggested TOP Tax system the interest rates on farm loans, up to Rs.10, 000, 00, will be only 3% per annum and 4% per annum beyond Rs. 10,000,00.

5. Land acquisition and compensation;- If an individual or company acquires land of more than 20 acres of land for industry, studios, real estate or any other purpose, land tax of 10,000 per acre per annum needs to be levied. If land is acquired for SEZs the farmers should be paid not only the market price of the land but also Rs 1,000 per acre per month for rest of his/her life and thereafter to his/her legal heir. It is easier for local panchayats, municipalities, corporation to collect house tax, vacant plot/land tax and properties tax as all the details of a person's properties are recorded in his/her Land Savings Account (LSA).

6. Land transfer/registration/stamp duty;- Under the "TOP Tax system" there will be no stamp duties on all immovable properties The registration charges for purchasing any property i.e.

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land, plot, flat, house or other commercial establishments will be same and equal all over India irrespective of the place and market value of property. The registration charges would be only Rs. 1,000 per acre, Rs. 1,000 per 300 square yards of plot or Rs 1,000 per 1000 square feet of flat and multiples thereof. These registrations of land transfers can be made in any bank and anywhere in India. It is needless to say that the loss of stamp duties would be compensated by the "TOP Tax" which is compulsory on any money transfers. If a person buys a property (land, plot, flat, house, commercial establishment) for Rs. 10 lakhs, a TOP tax of Rs. 40,000 will be deducted from his MSA or SSA while transferring the cash to the sellers account. If he/she buys the same property for Rs. 1 crore the deducted TOP tax will be Rs. 4 lakhs. In the case a person transfers a property as a gift to his/her son/daughter or any other person, trust or organisation the TOP tax deducted will be nil as there is no cash transfer made. That means there will be no need for separate registration and revenue departments for registrations and handling of all immovable properties.

The third sub account of MSA Vehicles Account) shall be utilised for ownership rights of all movable properties like vehicles, gold, jewellery, and etcetera. The ownership rights of these properties will be transferred from one person's MSA (manufacturer, dealer, and seller) to another person's MSA while purchase/sale/donation of these movable properties. The ownership records will contain the vehicle's model, manufacturing date, engine number, chassis number, registration number, fitness certificate etc. The ownership rights of all vehicles will be transferred from one MSA belonging to manufacturer/importer/dealer/retailer, or other citizen to the buyer's account through online just like money transfers in the present system. In the TOP Tax system people will not need to have separate vehicle registration certificates, fitness certificates, and insurance certificates for each vehicle he/she owns. The bank statement of the third folder of his/her MSA, which contains the owning record of all his/her vehicles, will suffice for all his/her vehicles. That means the bank statement of the sub account (MPA) of any person's Main Savings Account will hold the entire ownership rights of that person's all movable properties. Furthermore there will be no need to have separate RTO departments for registration and checking of vehicles in the TOP Tax system. The traffic police department will suffice to oversee all vehicles in promptly paying the road taxes and insurance premiums regularly. The data on payment of road taxes collected from banks will ensure that the checking authorities can stop only the non tax- paying vehicles leaving the tax paid vehicles unstopped on the highways.

Similarly the gold in the entire country, owned by people, importers, dealers, sellers, Governments, temples, companies, organisations, will be recorded in sub account (movable property folder/MPA) of Main Savings Account. Upon the launching of TOP Tax system people should register the gold they own in their third folder of their Main Savings Account within the stipulated time period of one month or more or as decided by the Government. After this stipulated time period no individual will be allowed to register his/her gold. From hereafter when one person buys gold the ownership rights of the bought gold in seller (importer/dealer/retailer, or other citizen) will be transferred from his/her MSA to the buyer's account through online just like money transfers in the present system. So the ownership rights of gold will be transferred from one Main Savings Account to another account (importer, dealer, seller or between people) on each purchase or selling of gold. Gold loans will be given on the records of an individual's gold owning in his/her Main Savings Account (third sub account) and gold's physical mortgage. It will not be possible either to mortgage or sell gold without owning record in his/ her MSA. That means there will be no possibility of stealing gold because the thief cannot sell the stolen gold without the owning record in his/her account. A person cannot complain the theft of his/her gold more than the recorded gold in his/her account. Similarly when law enforcement agencies raid a person's house and find gold beyond the recorded gold in his/her account it will be deemed as either

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stolen or bought from illegal means. People, who bring gold from abroad on return, should record it in their Main Savings Account at the airport itself. The exact gold reserve owned either by people or Governments will be known at any time. Every year the imported and locally produced gold will be added to these reserves.

The fourth sub account Shares Account shall be utilised for storage and usage of ownership rights of shares/stocks, bonds, derivatives etc. The ownership rights of these securities will be transferred from one person's MSA to another person's MSA while buying/selling/donation. The ownership rights of shares can be transferred from one account to another account by the bank which handles the account. The shares account is portable and the customer can transfer his account from one bank to another bank at any time for handling the shares.

The fifth sub account (personal account) shall be utilised for family details and called as personal account. Marriage registration and child birth registrations will be made both in husband and wife's family folders of MSAs. Based on the details in the family folders, monthly rations will be computed and transferred every month, in the form of cash, directly into the wife's MSAs. Every child will get his/her own MSA account at the age of 15 years. The bank statement of The fifth account (personal account) of MSA of any individual can be utilised as income certificate, voter list, ration card driving license and passport. It can be obtained within minutes from any bank and from anywhere in the country. People need not pay bribes to get these certificates or documents from revenue department and passport offices. All funds allocated towards welfare of SCs, STs and BCs can be transferred directly into the MSAs of these sections leaving no room for leakages, bribes and misappropriation of these funds.

Vivid explanation:- All the details of a person's occupation, educational qualifications, marriage, driving license, passport, his/her life partners name, children and their age etc, will be recorded in fifth sub account (personal account) of his/her Main Savings account. The parents should register their child's details in the data record of their Main Savings Account (MSA) within three months of their child's birth. Once the child gets the age of 15 years he/she will automatically get MSA. The total care and welfare of the orphans should be taken by the State governments till the child reaches the age of 20 years. The pathetic plight of street children and orphans will come to an end once the TOP Tax system becomes operational.

This system totally and permanently checks the ever increasing problem of illegal migration from Pakistan and Bangladesh changing the demographic proportion of India to an unimaginable level. Once all the citizens above the age of 15 years are given the mandatory Main Savings account (MSA) and the TOP Tax system becomes fully operational, no adult will be given Main Savings Account (MSA) thereafter. From hereafter every additional Main Savings Account [MSA] will be an offshoot of an existing MSA belonging to parents or Government in case of orphans. There will be no question of additional fresh MSA without parent's existing MSA. Similarly existing MSAs will come to cease upon the death of individuals. All the money, shares, movable and immovable properties recorded in the five folders of MSA of the deceased person will be transferred to his/her legal heirs or to nominees registered in his/her MSA account. The total number of MSAs will increase every year depending upon the growth rate of population of that country. TOP Tax system will record; maintain every individual's family record generation after generation. Therefore illegal migrants from other countries cannot enter illegally into India, get Main Savings Account or Sub Savings Accounts and assimilate in Indian population. It will be a lot easier for the government to detect terrorists and militants who cross over from across the border to indulge in unlawful activities.

Preparation of voter lists- TOP Tax system makes the preparation of electoral roles to be very easy and simple and instant. Fresh voter lists will be provided by banks at any time if asked by election

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commission. According to the addresses recorded in the Main Savings Account the area wise voter lists can be supplied by banks to conduct polls to panchayats, cities, districts, MLA, MP and all other polls. If by polls are to be held, the last voter lists should be used in that particular constituency in order to stop people from other areas to change their addresses to that by poll areas.

TOP tax system will be operated solely by banks to provide different services for the Government like taxation, tax collection, tax enforcement; for issuing caste certificates, income certificates, voter lists, monthly rations, subsidies, pensions, calamity relief funds, passports, licences, fees reimbursements, scholarships etc., at absolutely free of cost. TOP Tax system, operated by banks, will also help people in getting all the above mentioned services at single window through their MSAs with five different sub accounts. That means TOP Tax system will replace present system's multiple departments like Income tax department, Central Excise department, CBDT, CBEC, Tax tribunals, passport department, census department, States' commercial tax departments, civil supplies departments, registration departments, revenue departments etc., saving thousands of crores of Government's non-plan expenditure.

2. Usage of Sub Savings Account (SSA):-

Every person can open and operate as much number of SSAs as he/she wishes. The SSA is only a money account as in the present system. This Sub Savings Account shall be used for receiving, storage and usage of money to operate any business or industry wholly owned by an individual.

3. Usage of Corporate Account Number (CAN): -

Corporate companies, MNCs and Public limited companies which sold/issued shares to the public will be given CANs. Each Corporate Account Number will have seven sub accounts for each specific operating/running purpose of the company.

The first sub account shall be utilised for receiving, storage and usage of money for running of that company.

The second sub account [LSA/land savings account] shall be utilised for having all records of immovable properties like land, buildings, infrastructure and etcetera of that project/plant/business.

The third sub account [Immovable Property Account/MPA] shall be used for registration, storage and usage of ownership rights for all fleet of vehicles and other movable properties like machinery etcetera required for running of that company.

The fourth Sub account [Shares Account] shall be used for storage of all shares of the promoters and the public of that company.

The fifth sub account will contain the details and accounts of all the employed manpower of that company.

The sixth sub account [Raw materials account/RMA] will contain the detailed accounts of all raw materials and other required inputs bought and used for running of that company.

The seventh sub account [Products Account/PA] will contain the details and accounts of all products manufactured, sales and inventory. TOP Tax system's CAN with seven sub accounts is a new procedure to see that company's financial books were clean, accurate, open and transparent to all share holders so that there can be no room for fraudulent and deceptive financial statements.

Vivid explanation: - The TOP Tax system's Corporate Account Numbers (CANs), which consists of 7 sub accounts, will make all companies' accounts fully transparent and open to all share holders every day (unlike quarterly, half-year and yearly statements released by the companies in the present system) for inspection, study and analysis before investing their hard earned money in shares of those companies with sound financial position.

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Money will flow into the first sub account of Corporate Account Number (CAN) when products are sold and money will go out when payments are made towards salaries, purchase of raw materials, services, equipment etc,. The seventh sub account, which records the manufactured products, gets updated online at every stage of production and marketing just like money savings account. The depletion of stock in the seventh account (products account) means the increase of money in the money account (first sub account) on the selling of products. Similarly the decrease of raw materials in the sixth sub account means an increase of finished products in the seventh sub account. The increase of raw materials in the sixth sub account points to depletion of money in the money account (first sub account) on purchase of raw materials. All these seven accounts get updated online at every stage of construction, production and marketing showing the exact details of debits and credits relating to money, raw materials, finished products, borrowings, shares, etc., for the benefit of all investors who put their hard earned money into these companies. The total money, the value of raw materials, finished products, machinery, movable and immovable properties recorded in the seven sub accounts of any Corporate Account Number (CAN) minus the borrowings is equal to the total strength of that company.

The TOP Tax system's transparent accounting system in Corporate Account Number (CAN) with seven sub accounts for money, movable properties, immovable properties, manpower, shares, raw materials and other inputs, and manufactured products and inventory will remove all frauds in accounting, securities, stocks and investment. These CANs with seven sub accounts ensure that there will be no chance of fraudulent business practices of overstating profits, concealing debts, spreading the expenses out over several years, under voicing or over voicing of raw materials, inputs, and manufactured products, under or over stating of stocks, padding up of project cost and diverting of funds at grounding, construction, erection and all stages of project implementation and publication of falsified financial reports. The CANs of TOP Tax system can also check the diversion of funds from one company to another company within the group companies (same promoters). The TOP tax system gives a big boost to stock markets as people start buying huge lots of shares to maintain minimum balance in their accounts in order to avoid Profit tax. There will be no significant effect of TOP tax system on intraday trading and Future options trading because the looser looses extra 4% of the loss amount only in the intraday trading. People will prefer to buy shares on the long term and annual yield basis. They invest in the companies which give handsome dividends year after year.

Thus a country's exact worth of all its money, movable and immovable properties, shares, gold, ores and minerals will be known exactly at any given point of time.

TOP Tax system insists that the entire natural resources of any country should belong to people of that country. The total known reserves of all natural resources should be recorded dematerialise form in Government accounts. The Government should sell ores or minerals to mining companies at reasonable price in terms of quantity or tonnes instead of leasing out mines in terms of extent or acres. Every tonne of ore or mineral mined should be paid by mining companies. The mining company which offers the highest price per tonne should be given the licence to mine after paying advance payment for the quantity it wants to mine. All the mining companies should buy ore or minerals from Governments before start of mining. The bought ore or mineral will be in dematerialised form and transferred from Government account to mining companies' CAN. Every tonne of mined ore or mineral will be accounted and transferred from one account to another account i.e., from miner's account to user's or exporter's account. The quantity of ores or mineral recorded in the Corporate Account Numbers (CAN) gets depleted when used in the production process or when exported. The stocks get increased when bought from mining companies or Governments. When a mining company sells or exports the mined ore or mineral to any other company the transfer of rights of bought ore or

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mineral will be made online from the mining company's CAN (sixth sub account) to the buyer's CAN. At the same time money will be transferred from buying company's CAN to mining company's CAN. After the depletion of the recorded bought stocks in the CAN, the mining company will have to buy fresh stocks from the Governments and replenish its sixth folder. That means the buying and selling of natural resources will be made both in physical form and dematerialised form. TOP Tax system makes it impossible for any mining company to illegally mine huge quantities of ore or minerals without paying correct price. TOP Tax system makes it possible to know the exact quantity of ores or minerals mined, exported or used by domestic companies.

TOP Tax system's five main objectives are 1)The tax collections from people, 2) the distribution of revenues from governments to people in the form of subsidies, relief funds in the event of natural calamities like earth quakes, floods, famines, pensions, cash transfers towards monthly rations, hospital bills, education bills, et., 3) providing all basic services including registrations of movable and immovable properties, driving licences, air, bus, train tickets, permits, licences, payment of electricity, telephone bills, water cess, house taxes, issue of voter lists and voter slips, birth and death registrations, census figures at every day, every hour, every minute (unlike at every decade in the present system), 4) lending money to borrowers at the lowest PLR (average 3%per annum). All these objectives can be met and carried through banks/service centres to all people at single window, situated nearest to their homes (5) implementation of welfare schemes to BCs, SCs, STs, towards education, self employment and other areas, and monthly pensions to senior citizens (with no or paltry incomes) and physically challenged.

All the earnings/savings of an individual deposited in their respective accounts (MSA/SSA) in the form of numerical/digital value can be utilised at any time for buying of movable or immovable property or for any other legally allowed purpose. The unutilised deposits will be disbursed as loans to the borrowers by the banks at the lowest lending rate (average 3% per annum as operating cost). The total profits (an estimated 64,973crores) got by all the banks/ service centres will be more than enough to operate them and they can meet all the objectives of TOP Tax system i.e. providing all basic services to people at absolutely free of cost at single window.

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3. Money Supply (real money and loan money).

TOP Tax system suggests that total money supply (real money and debt money/loan money) to be necessary for circulation in banks should be at the minimum level of 100% and at maximum level 110% of the value of GDP of the country. Out of this total money supply in the economic system, 99.4% of the money will be in dematerialised (non physical) form in the accounts of citizens, Governments and companies. Only small portion of money, equalling just 0.6% of the total money in the economic system, will be in physical form i.e. currency notes Rs 30 Rs, 20, Rs. 10 and coins Rs 5, Rs 2 and Rs 1. All high valued paper currency notes Rs 1000, Rs, 500 Rs. 100 and Rs. 50 will be demonetised.

A brief description of Money Supply in present economic system and the TOP Tax system

Money Supply in present economic system: - Money is classified as different categories like M, M1, and M2 and so on. The money in the banking system can be expanded over the initial reserve due to money multiplier factor. The velocity of cyclic rotation of money in the economic

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system is erratic and not stable because of the extra added weight the loaned money carries in the form of interest burden. Here money is having both exchange value and storage value. The money's volume is increasing by virtue of its stationary position in the form of demand deposits, savings deposits, bonds etc. The carcinogenic growth of loaned money causes inflation. Here the high growth rate and inflation are inseparable Siamese twins. There is sizable physical money which helps tax evasion in generating black money. For example in India, there is an estimated physical currency of 10,72,020 crores with the public out of total money supply of 77,25,560 excluding fake currency in the economic system (As at 2012 - June 29). This physical currency is about 13.8% of the total money supply in the economic system. The unaccounted GDP, carried through unreported/hidden/shadow accounts with active support from physical currency, is assumed to be almost equal to the officially recorded GDP. The unaccounted cycles of 10 % physical currency are almost equal to the cycles of the remaining 90 % of the total money supply in the economic system. The non physical money, which has to honour the taxes, tax laws, accounting, auditing and tax returns, is having less velocity. The physical money, with its natural free flowing tendency, is choosing the smooth domain where it can escape from taxes, tax laws, accounting, auditing and tax returns to get greater velocity in its cycles. That means the total money in the economic system has two extremely different velocities - one for the physical money and the other for the non physical money. The exact volume of real money and loaned money cannot be known at any specific time instantly. The real money and loaned money are mingled together beyond recognition. So the exact values of the total money supply, the velocity and cycles of the money and GDP may not be available. The money supply and GDP values, that are being furnished, are believed to be off the mark. The exact results of measures, taken by the Governments and Central banks from time to time to check inflation or to infuse fiscal stimulus packages to control recession, can be observed only after long time. The medicines and therapy, that are used to nurse the health of an economy, are basically trial and error methods. There are so many regulators like, CRR, PLR, SLR, repo, reverse repo that work on money supply in the economic system to check inflation, economic recession and deflation. The actions of these regulators on money supply usually give results that are quite opposite to each other. They always endorse one proverb – Too many cooks spoil the broth.

Money Supply in TOP Tax system

TOP Tax system's Main Savings Account MSA will have five sub accounts for money, shares/stocks, bonds, derivatives, movable property, immovable property and family. The Sub Savings Account is only money account as in the present banking system. The Corporate Account Number will have seven sub accounts for money, movable property, immovable property, securities, raw materials and other inputs, man power, manufactured products. The money account of all these three accounts will be used for storage and usage of money for personal or business or industrial purpose.

In TOP Tax system there will be zero interest rates on time deposits, demand deposits, Government bonds etc. The prime lending rates will be just 3% per annum on loans up to 10 lakhs and 4% per annum on loans above 10 lakhs.

Top Tax system suggests the Cash reserve Ratio CRR permanently at 10%.

An individual's money account of Main Savings Account contains his/her entire money got from earnings, savings, donations, inheritance and loans taken if any. Loans can be taken by an individual from banks upon mortgage of his/her movable and immovable assets which are recorded in the sub accounts [LCA, IPA, SA] of his/her Main Savings Account. Loans can be taken by individuals through Mains Savings Account only because all his/her assets with ownership rights are maintained in Main Savings Account.

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An individual can open Sub Savings Accounts to run, operate one or multiple industry/business/institution. There is no limit to open Sub Savings Accounts. Money can be stored, used or operated from this account to run any industry/business/institution. Loans cannot be taken from this account. Loans can be taken by individuals only through Mains Savings Account because all his/her assets with ownership rights are maintained in Main Savings Account.

An individual can run any industry/business/institution by using his/her Main Savings Account without opening Sub Savings Account. That means Sub Savings Account is not compulsory for an individual to run his business or industry.

Similarly the borrowings of money (loans) for industries run by corporate companies or public companies will be recorded and maintained in Corporate Account Numbers (CANs) of those companies. Loans can be taken by company or industry from banks upon mortgage of this company's movable and immovable assets which are recorded in the sub accounts [LCA, IPA, SA] of this company's Corporate Account Number [CAN]. Loans can be taken by company through only Corporate Account Number [CAN] because all the company's assets with ownership rights are maintained in Corporate Account Number [CAN].

The functioning of banking system in TOP Tax system is totally different from present bank system.

Money will be in two forms 1] physical money i.e., bank notes and coins 2] digital money.

Physical money and digital money is equal to total money supply in the banking system. Total money supply minus total loans is equal to real money. The value of the real money will be equal to 52.63% (minimum level) of total money supply in the economic system if Cash Reserve Ratio is 10%. The remaining 47.37% of the money supply can be generated through loans. The real money would be at minimum level of 52.63% and can increase beyond that. The total loaned money given by banks would be at the maximum level of 47.37% of total money supply (or 90% of total real money) and can decrease below that. An increase in the real money beyond 52.63% means a decrease in the loaned money from 47.37%. The physical currency constitutes just 0.6% of the total money in the economic system. The remaining 99.4 % of total money supply will be in non-physical form i.e., digital form in the MSAs, SSA's, CAN and government account handled by banks. There will be no interest rates on demand deposits, time deposits, bonds etc. The prime lending rates on loans given by banks will be just 3 to 4 % only. The loans will be given upon mortgage of movable and immovable properties and shares or on personal incomes. There will be no loans on deposited checks and demand drafts or other instruments of money. Here the money will have only exchange value and it will not have storage value. Money will be purely utilised as medium in exchange of goods, commodities, shares, physical and intellectual works. There will be absolutely no incomes on stocks of money. An individual will have to spend exactly what he earned, saved, inherited, donated or gifted. The cycles and velocity of the total money in the system will be even and constant.

Total Money Supply in the economic system

Guidelines to give banking license for banking business

1. Banking license should be liberalised
2. The minimum security deposit should be 1000 crore Rupees to get license to enter banking business.

*The total loans/advances given by all banks through all their branches should not be more than 47.37% (if CRR = 10%) of the total money supply in the country. That means the total loans/loans given by all banks through all its branches should not be more than 90% of the total real money in the country. In other words the real money in the country should be at the minimum level of 52.63% of total money supply in the country.

Money supply handled by a bank

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*The total money supply handled by a bank should not be more than 18 times the value of its capital money. Total money supply handled by a bank is equal to total digital money of all its accounts operated by its branches + Bank's capital money+ total physical money available in all its branches and ATMs - That means a bank will be allowed to handle accounts whose cumulative total money should not exceed 18 times the values of that bank's capital money. Capital money is equal to its own digital money, physical money at its chest, at all its branches and in all its ATMs.

*The loan money/advances by any bank should not exceed the 47.37% of total money supply it handles and at the same time the total loan money/advances give by the bank should not be more than 9 times of its capital money. The real money should not fall below 52.63% of total money supply a bank handles.

*Total money supply= 52.63% [minimum level] real money + 47.37% [maximum level] loan money. If the % of real money increases the % of loan money decreases.

This table shows the maximum percentages of loan money/advances that can be reached by any bank corresponding to the total money supply it handles

Cash reserve ratio	Loan money Percentage of money Supply – Maximum level	Real money Percentage of money supply minimum level
5	48.71%	51.29%
6	48.45%	51.55%
7	48.19%	51.81%
8	47.92%	52.08%
9	47.37%	52.63%

*For example, the CRR is 10%. A bank started business with initial capital of 100 and if it handles accounts whose total digital money is 900. Then the bank's total money supply = 100+900=1000. It can generate money and give loans/advances until it reaches 900. By that time the total money supply will reach 1000 + 900 =1900. There after it cannot generate additional loans because its maximum limit of loan money % corresponding to total moneys supply reached 47.37% [1900x47.37%/100=900]

*A bank's money supply handling capacity with 100 as its capital will be at the level of 100 on the initial launching of its banking operation when the bank has zero accounts and it can reach up to at the maximum level of 1900.

*A bank's loan sanction capacity with 100 as its capital will be at the minimum level of 47 and at the maximum level of 900 when the bank reaches the maximum level of total money it handles reaches 1900. On the first day with 100 as its capital the bank without any accounts can generate and sanction loans up to 47 only. If their accounts increase, the money it handles also increases and correspondingly the money generation capacity also increases up to the maximum level of 900 when total money it handles reached the maximum level of 1900.

*The total digital money recorded in MSAs, SSAs and CANs belonging to people, banks, companies, institutions, organisations and Government + the total physical currency + banks' capital money + government's digital money + central bank's digital money is the total money supply in the economic System. The cumulative loan money recorded in all the accounts of MSAs, SSAs and CANs is total loan

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money/advance given by banks in the banking system. The total money supply minus the total loan money [advance given by all banks] is equal to total real money. The exact figures of total money supply, real money, loan money and variations in demand for loan money in the economic system can be obtained at any specific time.

* Every time the bank gives loans, the Bank's capital money/fixed money should not be changed. But the given loan money will be added to the Bank's loan money/advances. Correspondingly the loan amount will be added to the money account of MSA or CAN, who has taken that loan, and at the same time the loan amount will be recorded in his/her MSA or CAN. When a loan is repaid, the principle amount is deducted from the loan money/advances of the bank branch. So the total advance money by the bank branch decreases by the repaid loan amount. But the interest amount of that loan should be credited to the Bank's capital money/fixed money. So the capital money of the bank increases. Similarly whenever a loan is repaid through any MSA or CAN the paid amount will be decreased from both the money amount and loan amount of the same MSA or CAN. Please note that when Bank(X) gives loans, its capital money/fixed money would not change but increases when interest on loans paid to it, and decreases when Bank(X)'s salaries and other operating costs are paid. Bank's salaries and other running/operating costs should be paid from the capital money/fixed money of the Bank's Account. So the capital money/fixed money minus the initial capital are Banks profits. If the capital money/fixed money in the bank's account is less than the Bank's initial capital investment that means the bank incurred losses. In that case the bank should borrow money from other bank or from Central bank to maintain the required minimum security deposit to run banking business

*The TOP Tax system suggests CRR (Cash Reserve Ratio) to be fixed at 10%. The total loans/advances given by a Bank, through all its branches should not be more than 47.37% (if CRR = 10%) of the total money stored in all MSAs, SSAs, CANs operated by all its branches, and Bank(X)'s own capital money/deposit and profits (if any). The total digital money in all MSAs, SSAs and CANs invariably includes the real money and loaned money generated by the Banks. But the Bank's capital money/fixed money is purely real money. This total money will keep changing continuously. This ever changing average total will be automatically available every day by computer software system itself. At the same time the total loan money/advances of all the branches of the Bank should not exceed nine times the value of that particular Bank(X)'s Capital money/fixed money. At no time the Bank's loan money/advances should exceed nine times the bank(X)'s capital money/fixed money, and more than 47.37% of the total money supply in that bank's account or 90% of the total real money the bank handles. The total money supply of the bank is equal to total digital money in all MSAs, SSAs and CANs (handled by all its branches) + its own capital money/fixed money and total physical money of that bank. The real money of the bank = the total money supply in that bank – the total loans/advance given by that bank through all its branches.

*The total digital money recorded in all MSAs, SSA's, CANs, government account and Central bank + banks' capital money + the total physical money in all banks, ATMs and Central bank = total money supply in the economic system.

The total money in all MSAs, CANs and SSAs that are handled by all branches of a bank + the Bank's capital money + total physical money of the bank held by its branches and in ATMs = the total money supply handled by that bank.

* The total capital money/fixed money of all banks in the country should be at least one ninth of the total loan money taken by customers of all MSAs, SSAs, and CANs. So the total loans/advance given by all banks should not exceed nine times the value of total capital money of all banks. That means no

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bank should be allowed to give loans more than 9 times the value of its capital money and at the same time the loans should not exceed the 47.37% of total money supply it handles.

*As the bank's profits increases, the capital increases. The bank's profits will be known every day, every hour and every minute even to a layman. The maximum profit a Bank(X) with all its branches can achieve in a financial year = (the average annual simple interest 3 % x 9 times of its capital money) + registration charges + service charges – Operating cost. That means, profit = (27% of its capital money) + registration charges +service charges – operating cost. The minimum profit a Bank(X) with all its branches can achieve in a financial year = (simple interest 3 % X 0 .9 times of its own capital money when no real money is available in all MSAs, SSAs and CANs operated by it) + registration charges of movable and properties like land, plots, flats, vehicles etc, + service charges +user charges – Bank's operating cost. So the profits depend upon the total money available in all MSAs, SSAs, CANs, the bank operates, and Bank's own capital money. This is the self regulating system of money supply in the economy. The Bank's cash reserves, to be lent as loans, decreases if real money in all MSAs, SSAs and CANs operated by it decreases. There will be slight variation in total money supply in the banking system at the end of every day. When loans are repaid to the banks the total money supply decreases [contracts] and money supply increases [expands] when loans are given by banks. That means when loans are repaid the money will get out of the money supply and when loans are given the money rejoins the money supply.

*Total Money supply will get adjusted itself in the banking system to the needs of changing demand for loans without depending on the external regulators. There will be no need for Central Bank to borrow money from commercial banks to drain out excessive money in the banking system. Banks will not borrow from Central Bank and vice versa. There will be no repo and reverse repo rates in TOP Tax system. In TOP Tax system loan money will never be metamorphosed into real money, unlike present system's money which is transmuting into real money over period of time. Here loan money is always loan money and real money is always real money.

*If total real money in all MSAs, SSAs and CANs = P, CRR = 10%, annual average simple interest = 3%, operating cost of banks = Y and total registration charges of all immovable and movable properties = X, then the total profits per annum got by all Banks in the country = [(P-P/10) X 3/100] + X –Y. That means total profits = 27P/1000 + X – Y. That implies profits = (0.027% of P) + X - Y. In simpler terms the profits for all commercial banks in a country is equal to total loan money x 3/100 + registration charges + service charges These maximum profits will have to be shared by all Bank operators in the country. Each Bank operator's profit will depend up on the real money available in all MSAs, SSAs and CANs it operates. So, the Bank operators will vie with one another for more accounts by providing prompt and quality services to its customers. Real money means total money supply minus total loan money/advance given by banks. For example at reserve ratio of 10%, for each 100 of real money owned by people, Government, banks and companies, there will be loan money of 90 at the maximum. That total money supply can reach the maximum of 190 depending upon the demand for loan money. The real money percentage will be at the minimum of 52.63% of total money supply and loan money percentage can reach up to 47. 37% of total money supply (or 90% of real money if reserve ratio is 10%) if there is enough demand for loan money. The bank profits will depend upon this percentage of loan money which may vary slightly from time to time. Please see the possible operating cost of the Banks and their profits in the later pages. *Bank's capital investment cannot be withdrawn from the bank unless it is exceeded one ninth values of its total loans given. In other words, only the extra money, which means profits, over the initial capital investment, can be withdrawn from the Bank by its promoters.

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*TOP Tax system ensures that money supply does not get stagnated in the financial system as excess reserves because of these following factors. The first one is the Profit Tax which constantly pumps money back in to the financial system. The second one is the limited paper currency which totally removes black money, a stronghold of stagnated and hibernated money in recession periods. The third factor is low interest rates and faster sanctioning of loans because all components of money and wealth are recorded, stored, maintained and used in the same MSAs and CANs.

* Every year, additional Digital money equalling 52.63% of the value of the growth in the GDP, should be added to the Government account (out of thin air) at the time budget presentation to check deflation and recession. The addition digital money = real money should be added every year = 52.63% x [value of GDP of present year - the value of GDP of previous year]. That means there will be fresh real money originated from Government's account added to the money supply every year. If there is no growth rate there will be no fresh real money and if there is negative growth rate the reserve ratio will have to be increased. This scenario will never happen in TOP Tax system unless there is unforeseeable calamities like massive earthquakes, third world war etc.

*In TOP Tax system there will be only two regulators – Cash Reserve ratio and TOP Tax, to maintain smooth functioning of economic system. The major portion (50%) of this added money should be allocated towards pensions to senior citizens who have no or paltry incomes. The remaining portion shall be allocated to welfare schemes, health care services, and education and infrastructure sectors. Once this real money is added and merged in the circulating money, loan money up to the maximum of 47.37% of the value of the growth in the GDP, will also be generated through loans as debt money/loan money by the banks and added to the circulating money in the finance system. The banks' profits will increase through interests on this additional loan money every year.

*TOP Tax system suggests that total money supply (real money and loan money) to be necessary for circulation in banks should be at the minimum level 100% and at maximum level 110% of the value of GDP of the country. GDP is classified into two types. One type is consumed within one year and non re-saleable. The other type of commodities will be converted into re-saleable assets like movable and immovable properties and carried in to next financial year. The money supply, equalling 110% of the value of GDP, will meet the need for exchange of total GDP produced in a year in addition to the already existing movable and immovable properties, shares, gold, and ornaments which are accumulate over the years. Assuming that each commodity/service is changed hands at an average of three times in the consumer, retailer, dealer and manufacture chain, the cycles of the total money supply in the circulation will have an average of four to five cycles per year.

*The revenues from 4 % TOP Tax on all money transfers from one account to another account will go to State and Centre's combined account (SACCA) in each state. 3O % out of these revenues will go in to Central Government's account. These flows will be continuous and unabated as long as bank operations continue during the day.

*In the present system all banks have one common weekly holiday apart from national holidays. But in TOP Tax system while half of the bank branches will have one weekly holiday, say Sunday, the other half of the banks will have another weekly holiday, say, Wednesday, The incoming tax revenues will get transferred from SACCA' s and Central Government's account to various ministries' accounts of States and Centre according to percentage allocation made in the budget. As said earlier every year, additional real money equalling 52.63% of the value of the growth in the GDP when compared to last year, should be added to the Central Government's account (out of thin air) at the time of budget presentation. There will be also revenues from sale of natural resources like

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minerals, ores, air waves, etc, in addition to revenues from PSUs and other assets. Apart from these revenues the Central Government or States can borrow loans from banks upon mortgage of Government assets. The TOP Tax system suggests that this statutory liquidity ratio can be at the maximum of 24%. The Government spending will be equal or less to its total revenues and there will be no fiscal or revenues deficits. From these accounts the funds will be transferred to various departments, sections, institutions and from there the funds travel up to village level and finally reach people in the form of welfare schemes like, education, healthcare, sanitation, monthly rations, pensions, infrastructure facilities and all other services. The incoming revenues and outgoing expenditure will be fully transparent as clear as crystal. This way the TOP Tax system will make the budget preparation of any country to be easy, simple and time saving exercise.

* Foreign currency exchange- when people need foreign currency for tours, education and imports or FDI goes out, the money (indigenous) will be decreased from his/her MSA or CAN in case of companies or FDI, and the same amount will be increased in Government or Central bank account and its foreign currency will be decreased from the same account when people (who works there) or companies (which exports) or FDI bring foreign currency, the foreign currency in Government or Central bank's account increases with decrease in its digital money in its account while the money (indigenous) in those accounts (who bring money) increases.

* The total money, loaned money, shares/stocks, movable properties, and immovable properties of individuals or industries will be stored, recorded, maintained and transformed in the same accounts of MSAs and CANs. The movable and immovable properties can be mortgaged and transformed in to digital money for personal, business or industry purpose. Since all the money, debts, shares and assets are recorded, linked and covalently bonded together under different sub accounts in the same Main Savings Account in the case of individuals and in the corporate account numbers in the case of companies; the process of loan sanction will be faster and smother. There will be no defaults on loans and nonperforming assets called NPAs. Once the loans are repaid the assets will be released from mortgage instantly. The total real money, loan money, the real assets and mortgaged assets of an individual or a company can be easily distinguishable. In the present system money, shares, movable and immovable properties are recorded and maintained by different institutions, departments and agencies. Loan money/advances are maintained in separate accounts. So the real money and loaned money/credit money are mingled together beyond recognition and not easily distinguishable by cursory study of the accounts. The present system's multiple generation of money supply through loans on loans is actually dwarfing the real money and causing uncontrolled inflation and accumulation of money in a few pockets.

Money will be automatically adjusted in the banking system without external regulators.
Here are the examples of bank balance sheets at a certain point of time. The money variations are shown at different functions.. There should be a bank branch for every 2500 people.

Salient features of this new tax system.....

1] Taxation, tax collection, tax enforcement, tax compliance, allocation of revenues to various ministries or departments and money supply into the economy are unified and integrated in the banking system.

2] In this new tax system there will be no Direct taxes, Indirect taxes, tax laws, tax returns, tax collection departments, tax enforcement agencies and tax tribunals.

3] Citizens need not maintain separate account books and submit tax returns annually for paying either Direct taxes on personal incomes or Indirect taxes while running business or industry.

4] Yet, the tax revenues collected by banks from single tax called TOP Tax will be 30 to 40% more when compared to total tax revenues accrued from all taxes in the present tax system.
5] TOP Tax system" will make budget preparation of any country to be simple, easy and time saving exercise.
6] 100% tax collections without tax collection department

http://vijayavarma.com/wp-content/uploads/2014/08/Vehicles-Savings-Account-Module-VARMA.xlsx

The working modules of this new banking system are available on the websites www.vijayavarma.com www.singletax.org www.taxreforms.net
Download directly from these links -
http://taxreforms.net/wp-content/uploads/2012/06/Portable-Savings-Account.xlsx

https://bankingredefined.files.wordpress.com/2015/01/portable-bank-account.xlsx

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1. Tax structure and direct benefits of the suggested TOP Tax system

Tax structure of suggested TOP Tax system

Present system Direct/Indirect taxes(Centre and States)		Suggested TOP Tax system	suggested slab rate	
1.Income Tax 2.corporation Tax 3.capital gains Tax 4.wealth Tax 5.Securities transaction Tax	1	5+6+8+9+10+12+14+15+17+18= Transfer Or Purchase Tax (TOP Tax) for States and Centre combined Slab rate = 4%	4%	
6.Central Excise duty 7.Customs duty 8.Service Tax 9.Sales tax/VAT by States	2	1+3+4= Profit tax (Totally avoidable) for States and Centre combined slab rate=30%	30%	
10.Stamp duty 11.land revenue 12.Professional Tax	3	Corporation Tax by Centre (optional) Slab rate=20%	20%	
13.State Excise 14.octroi				
15.surcharges and other cess 16. Property Tax				
17. Gift Tax 18. CST				

There will be only one mandatory tax called TOP Tax with single slab rate(4%) for both Centre and States combined in the proposed TOP Tax system. The Profit Tax in place of present Income tax and capital gains tax will be account basic and totally avoidable unlike individual basic and compulsory in the present system. For clear understanding please see table number 1 and 2 in page number 6 and 7. Profit tax means it will be imposed on person's incomes (if remained any) earned/got through salary, remuneration, business, industry, donations and gifts after liberally used on expenditure/spending, various investments, gifts and donations. That means, profit tax will be imposed only on unspent or unused incomes got through salary, remuneration, business, industry, donations and gifts. In the present system, personal Income tax is levied on incomes earned/got through salary, remuneration, business, gifts, donations and sale proceeds (however with some exemptions) before used on expenditure/spending, donations and various investments. Under proposed TOP Tax system the Corporation Tax and Custom duty/Import duty can be levied by the Central government as usual to

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save small scale and domestic industries respectively. Similarly the excise duty on liquor and wines can be levied by the State governments as under the present system to inhibit heavy consumption and addiction.

Direct benefits of the suggested TOP Tax system

Under proposed TOP Tax system there will be no Income Tax and other Direct taxes.

Benefits:

So under suggested TOP Tax system, people who have taxable incomes got from salary/ remuneration/professional income/donation/gift/service/business/industry will benefit as they need not pay Income tax/other Direct taxes and submit Income Tax returns annually. 7 billion People of the world will be unshackled from all Direct taxes, tax laws, tax raids, tax returns, accounting and auditing.

Under suggested TOP Tax system there will be no Sales Tax (VAT), Central Excise Duty (CENVAT), Service Tax and all other Indirect Taxes.

Benefits:-

1. Markets will be fully open without any hurdles like multiple taxes, permits, licenses, way bills, accounting, auditing, tax returns and tax laws. Traders, manufacturers, transporters, dealers, retailers, vendors, contractors, service providers and all others will not need to maintain account books, sales lists, stock lists, way bills etc. No accounting, auditing and tax returns will be required for individuals who run business or industry. The present day trade barriers between manufacturers and consumers; between the States within the country and between the nations can be totally removed.
2. Therefore all the check posts, within a TOP Tax system" implemented country, can be totally removed allowing free movement of industrial goods/commodities and agriculture produce from anywhere to anywhere in that country and benefitting all farmers, manufacturers, traders and more importantly the consumers.
3. The entire truck owners will benefit as they need not pay bribes at check posts. They need not carry way bills while transporting industrial goods and agriculture produce from one place to another place in that TOP Tax system implemented country.
4. The entire farming community will benefit as they can transport their agriculture produce from anywhere to anywhere and sell their produce at market prices.
5. There will be no tax collection expenditure for the Governments and no tax compliance costs for the people. Yet, the tax revenues from single tax (TOP Tax) will be 30 to 40% more than the total revenues presently accruing from all Direct and Indirect taxes collected by multiple tax collection departments at huge expenditure for both States and Centre combined.
6. The tax component on any commodity, product or service will be less than 11% while the average tax component is more than 35% in the present tax system.
7. There will be absolutely no scope for tax evasion and it's by products namely black money and corruption.

After establishing sufficient number of banks/service centres by the Government (for example, India) with the help of private sector banks and financial institutions, all the citizens above age of 15 years should be asked to open Main Savings Account in any bank branch and deposit all the currency notes of 1000, 500, rupees except Rs. 50, 20, 10 rupee notes and Rs 5, Rs 2 and Rs 1 coins, available with them in these banks in their newly given Main Savings Account (MSA) or Sub Savings Accounts (SSA) within a stipulated time of 30 days. All presently run savings accounts and current accounts should be converted in to Sub Savings Accounts (SSAs) with his/her same MSA account number [except the eight and the ninth digits] and can be operated from the same banks. Similarly, people who have money in

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the fixed deposits/FDRs will have to transfer all their money from these fixed deposits/FDRs to their respective newly given MSAs or newly opened/converted SSAs within the same stipulated period of 30 days.

After this grace period of 30 days, the Government (for example, India) needs to demonetise all notes of denomination 1000, 500, 100 and 50 rupee notes except 20, 10, 5, and 2 rupee notes.

From then on, the TOP tax system becomes operational.

Every person shall be allowed to withdraw cash up to maximum of rupees 5,000 per month from his/her earnings or savings available in his/her Main Savings Account only. Thus a family of two can avail cash of 10,000 rupees maximum per month mainly to buy daily necessities like vegetables, milk, fruits, edibles, groceries, and all other small or low valued items. A person's maximum cash withdrawal of 5,000 per month from his/her Main Savings Account (MSA) through bank or ATM will be in currency notes Rs30, Rs 20, Rs 10 and coins Rs 5 Rs, 2 and Rs 1 only. A person can get some portion of his/her incomes/earnings transferred directly in to MSAs of his/her other non earning family members from source of his/her incomes/earnings so that his/her family can withdraw more cash (currency) per month. Every individual's incomes and savings will be in dematerialised form in his/her MSA or SSAs.

Other than cash withdrawals of maximum Rs. 5,000 per month from his/her Main Savings Account (MSA), no person will be allowed to withdraw cash from his/her Sub Savings Accounts (SSA). Every time a person buys high valued items, goods, vehicles, land, plot, flat, gold, jewellery, vehicles or any other movable or immovable property, avails physical or intellectual services or in case he/she lends, donates money to others, then he/she needs to transfer the required money from his/her Sub Savings Account/Main Savings Account through cheque, debit card or net banking (online cash transfers). Businessmen, traders, industrialists will have to make their cash transfers for all transactions through cheque, debit card or net banking (online cash transfer) from their Sub Savings Accounts/Main Savings Account. Similarly a person's salary or remuneration or professional fee and all his/her incomes from business or industry will be credited to their Sub Savings Accounts or Main Savings Account through cheques, debit card or net banking (online cash transfers). All three accounts namely CAN, SSA and MSA can be utilised to receive, pay or store incomes/earnings/savings/donations/loans. But cash can be withdrawn only from MSA (if available) up to maximum Rs. 5000 per month per person. The remaining available money (dematerialised form) from MSA can be used or spent only through debit card, cheque or online cash transfer.

For every transfer of amount, a 4% Transfer Or Purchase tax (TOP Tax) of that amount will be automatically deducted from his/her MSA/SSA account. This 4% tax amount on every cash transaction through MSA/SSA/CAN from all banks in a particular State will go to the combined account of State and Centre in that particular State. 30% of this amount from every State and Centre' combined account (SACCA) will go to Central government pool account. The remaining 70% will be retained by the respective State governments. This 4% Transfer Or Purchase (TOP tax) can be reduced to 2% within 4 years from the adoption of this TOP tax system by reducing 0.50 basis points per year. This will further reduce the prices of the commodities benefitting consumers. All government accounts and banks will have to be exempted from this TOP tax.

Vivid explanation: This 4% Transfer Or Purchase Tax (TOP Tax) on each cash transfer, irrespective of the reason for such transfer (purchase, gift, donation, salary/remuneration or any other purpose), operated through Main Savings Accounts (MSA)/ Sub Savings Accounts (SSA)/ Corporate Account Numbers (CAN), and operated by any bank or service centre, will be automatically deducted from that account and transferred to State and Centre's combined account (SACCA). The TOP Tax will be the same and uniform throughout the country on all cash transfers made through online/cheque/DD from

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all accounts towards purchase, gift, donation, and salary/fee/remuneration. So in the suggested TOP Tax system the tax base will be the largest to have the minimum slab rate and the lowest tax component on each commodity/service. People will get commodities/services at the lowest prices than in the present system. Furthermore the total revenues generated from TOP Tax from all cash transfers from all accounts will be more than double than the combined revenues of all States and Centre got from present multiple taxes with different slab rates. With limited paper currency and dematerialised money in the TOP tax system, every transaction will be transparent depicting the actual GDP of the country. In literal sense, every purchase, gift, donation and all types of payments will have to be carried through online cash transfers from one account to another account because of limited paper currency. The total revenues got from TOP Tax will be approximately equal to 3x4 %(12%) of actual value of the GDP of that country in the manufacturer, dealer, retailer and consumer chain. As goods, commodities, services, donations, physical and intellectual woks change hands in the manufacturer, dealer, retailer and consumer chain dematerialised money will be transferred from one account to another account correspondingly. Thus every cash transfer towards purchase, gift, donation, salary/remuneration or any other purpose will be accounted and within the system eliminating underground/shadow/unreported/hidden transactions operated by physical currency got from black money and fake currency in the present economic system. In the present system the parallel economy, being run by black money and fake currency, is obscuring the real GDP and hampering or lowering the collection of revenues. The TOP Tax system will eliminate the black money and fake currencies at one go and depict the exact GDP of the country. The other salient feature of the TOP Tax system is the better economic management and austerity. The individuals, who run business or industry, will be relieved from ambiguous tax structures, plethora of tax laws, and mandatory sales lists, stock lists, accounting, auditing and tax returns.

4% TOP Tax on all cash transfers carried through cheque, credit/debit cards and online from one MSA to another MSA, SSA, or CAN will deduct. But all State and Central Government accounts and bank accounts will be exempted from TOP Tax. Soft programming will be such that the TOP TAX will not be deducted on money flows from State and Central Government account to SSAs, MSAs, CANs and bank accounts. Similarly the TOP Tax will not be deducted on money flows from MSAs, CANs, SSAs to bank accounts when loan repayments are made.

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4% TOP tax will be deducted on all money flows as indicated in these table

Main Savings Account Money flows from MSA to MSA, SSA, CAN]	Main Savings Account [MSA] Sub Savings Account [SSA] Corporate Account Number [CAN]
Main Savings Account [SSA] Money flows from SSA to MSA, SSA, CAN]	Main Savings Account [MSA] Sub Savings Account [SSA] Corporate Account Number [CAN]

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Corporate Account Number [CAN] [Money flows from CAN to MSA, SSA, CAN]	Main Savings Account [MSA]
	Sub Savings Account [SSA]
	Corporate Account Number [CAN]

There will be no TOP Tax on money transfers as indicated in these tables

There will be no TOP TAX on money transfers from State and Central Government accounts to MSAs, SSAs and CAN accounts.

State and Central Government accounts	Main Savings Account [MSA]
	Sub Savings Account [SSA
	Corporate Account Number [CAN]

There will be no TOP TAX on money transfers from Bank [financial institutions] accounts to MSAs, SSAs and CAN accounts when loans are given.

Bank accounts	Main Savings Account [MSA]
	Sub Savings Account [SSA
	Corporate Account Number [CAN]

There will be no TOP TAX on money transfers from MSAs, SSAs and CAN accounts to Bank [financial institutions] accounts when loans are repaid.

Bank accounts	Main Savings Account [MSA]
	Sub Savings Account [SSA
	Corporate Account Number [CAN]

In addition to the Transfer Or Purchase (TOP) tax, a Profit Tax (PT) of 30% would be levied and automatically deducted once a year on the minimum amount recorded in the financial year of Main Savings Account (MSA) and each Sub Savings Account (SSA), if any, of every citizen. The financial year of the MSA of a person begins at the date the Government allots him/her the MSA. The financial year of the Sub Savings Account (SSA) will begin at the date a person chooses to open his/her SSA. This Profit Tax (PT) is an account basic and it is totally irrelevant who owns that account (MSA/SSA). The Profit Tax, 30% of minimum balance amount recorded in the MSA and each SSA (if any) of every person, will be automatically deducted on the last day of the financial year of that MSA and SSA (if any) of each person. The Profit tax in the next financial year of that particular MSA/SSA will be levied on the minimum balance recorded of that year minus the previous year's taxed amount of that particular MSA/SSA ignoring the maximum amount, however huge may be. Thus the deducted Profit tax, 30% of minimum balance amount recorded in the MSA and each SSA (if any) of every person in a particular State, will be transferred to that State and centre's combined account (SACCA). The combined taxes of TOP Tax and Profit tax, collected in every State and Centre's combined account (SACCA), will have to be shared between that particular State and Centre in the ratio of that particular

State getting 70% and Centre 30%. Hence the totally optional and avoidable Profit Tax will ensure that the money will be constantly pumped back into system keeping the economic growth at healthy rate. In the present system the huge black money, generated by hidden/shadow accounts, *combined* with huge fake currency is playing havoc with our economy. Besides these two taxes namely TOP Tax, and Profit tax which can be avoidable, the Central Government shall impose the customs duty (import duty) and Corporation tax as in the existing system. Except these four taxes, the TOP Tax system suggests removal of all other Direct taxes, Indirect taxes and various surcharges levied in the present system.

The following two tables clearly illustrate how totally avoidable Profit Tax is deducted from SSA and MSA of a person on minimum balance amounts recorded in each financial year excluding the previous or last taxed amount. Main Savings Account Module ⇦ click here to download

Example1: It shows how the Profit tax on minimum balance amounts recorded each year excluding the previous or last taxed amount will be deducted from each Sub Savings account (SSA) operated by a bank/service centre irrespective of the fact that who holds that account.

Year	Minimum balance of the year	Maximum Balance of the year	Profit Tax (PT) on the Min. Amt. – The last taxed amount	Net Profit Tax (PT)Deducted
2007-'08	10,000	50,00,000	30% of 10,000	3,000.00
2008-'09	40,000	70,00,000	30% of (40,000-10,000)	9,000.00
2009-'10	90,000	1,80,00,000	30% of (90,000-40,000)	15,000.00
2010-'11	20,000	2,00,00,000	-	-
2011-'12	1,50,000	5,00,000	30% of (1,50,000-90,000)	18,000.00
2012-'13	1,50,000	10,00,000	-	-
2013-'14	2,00,000	80,00,000	30% of (2,00,000-1,50,000)	15,000.00
2014-'15	1,00,00,000	2,00,00,000	30% of (1,00,00,000-2,00,000)	29,40,000.00
2015-'16	80,00,000	3,00,00,000	-	-

Example: 2 - It shows how the Profit tax on minimum balance amounts recorded in each financial year excluding the previous or last taxed amount will be deducted from each Main Savings account (MSA) operated by a bank/service centre irrespective of the fact that who holds that account.

Year	Minimum balance of the year	Maximum Balance of the year	Profit Tax (PT) on the Min. Amt. – The last taxed amount	Net Profit Tax (PT)Deducted
2007-'08	2,99,000	50,00,000	-	-
2008-'09	3,00,000	70,00,000	30% of (3,00,000)	90,000.00
2009-'10	4,00,000	4,50,000	30% of (4,00,000-3,00,000)	30,000.00
2010-'11	2,00,000	8,00,000	-	-
2011-'12	4,50,000	5,00,000	30% of (4,50,000-4,00,000)	15,000.00
2012-'13	4,50,000	10,00,000	-	-
2013-'14	6,00,000	80,00,000	30% of (6,00,000-4,50,000)	45,000.00

Now it is clearly understood that the Transfer Or Purchase (TOP) Tax will be same on cash transfers in all three accounts namely Main Savings Account (MSA), Sub Savings Account (SSA) and Corporation Account Number (CAN). The Profit Tax is also same in Main Savings Account and Sub Savings Account except the minimum storage balance in Main Savings Account (MSA). The Profit Tax on minimum balance in Main Savings Account will be levied from Rs. 3 lakhs onwards. The Profit Tax on minimum

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balance in Sub Savings Account starts from zero onwards. In the case of Corporation Account Number (CAN), the Profit Tax will have to be levied in the form of Corporation Tax as in the existing system.

Please note that each person will have only one permanent and life time Main Savings Account (MSA) but can have as many Sub Savings Account (SSA) as he/she can wish. Similarly the Profit Tax will be on account basic and totally avoidable, instead of individual basic and compulsory Income tax as in the present economic system. Please also note that the Profit Tax on minimum balance recorded in each year in Main Savings Account will be levied from Rs. 3, 00,000 onwards. In the present system the Income Tax, accounting, auditing and tax returns are compulsory. So persons who have taxable incomes through salary or business or industry or remuneration need to submit Income Tax returns annually. But TOP Tax system's Profit tax means it will be imposed on person's unused or unspent incomes got through salary, remuneration, business, industry, donations and gifts. Unspent or unused money means total incomes during financial year minus the total expenditure, investments and donations. Profit tax of 30% on minimum balance recorded in the financial year of each Sub Savings account (SSA) or Main Savings account (irrespective of the holder of that account) operated by any bank/service centre will be deducted on the last day of the financial year of that particular SSA or MSA and will be transferred to State and Centre's combined account (SACCA). The Profit tax in the next financial year of that particular MSA/SSA will be levied on the minimum balance recorded of that year minus the previous year's taxed amount of that particular MSA/SSA ignoring the maximum amount, however huge may be. Please understand that minimum balance recorded in the financial year of each Sub Savings account (SSA) or Main Savings account means the money unused or stagnated for more than one year. In the next financial year of the MSA or SSA, the Profit Tax will be levied on the additional unused or stagnated money over the previous taxed amount. That means there will be no recurring profit tax on unused or stored money. Once taxed, the unused money can be spent and recharged/restored without being re taxed for the entire life of that account. In the case of capital gains from a sale of any property or asset, a person will have a minimum of 364 days and maximum of 1 year and 364 day's period to avoid Profit Tax from sale proceeds (capital gains) to reinvest. Similarly 4% Transfer Or Purchase tax (TOP Tax), in lieu of present all indirect taxes and various surcharges, will be deducted from every money transfer in each Sub Savings Account or Main Savings Account irrespective of the fact that whoever holds that account and on what purpose the amount has been transferred (purchase, gift, donation, salary/remuneration or any other purpose) operated by any bank or service centre and transferred to State and Centre's combined account (SACCA). Thus all individuals who earn through salaries, remunerations, gifts, and donations will need not pay income tax and submit income tax returns annually. Thus people will be relieved from the cobweb of present ambiguous and complex tax structures, plethora of tax laws, mandatory and cumbersome accounting, auditing and tax returns, and consequent quagmire of all tax related cases.

How to avoid Profit tax: ----------

Every person will have the following options to avoid Profit Tax of 30% being deducted from his/her Main Savings Account and Sub Savings Accounts.

He/she can buy lands up to 20 acres of land, unlimited number of flats, commercial establishments and other properties as he/she wishes. This enables real estate sector grows at faster rate and house rents will come down substantially benefitting families who have no own houses.

He/she can buy unlimited number of shares as he/she wishes .Even though he/she looses a 4% of share value as TOP Tax while transferring cash from his/her account still he/she gets benefited from 30% Profit Tax being deducted. So people will look out for the companies which declare dividends every year. They also study carefully the fundamentals of the company like the book value, EPS, P/E ratio, profits, dividends, reserves, liabilities etc. before buying shares. In this scenario the stock

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markets will grow at steady rate and there will be no market crashes now and then as we are experiencing under present system.

He/she can lend money to others who are in need. Even though he/she looses 4% of money as TOP Tax while transferring cash he/she gets benefited by getting 4% interest on the loan amount ever year. In the process the loaners (loan takers) will get loans at cheaper rate when compared to present system.

He/she can setup industries, start businesses to avoid Profit tax. So in this process huge employment opportunities will be generated. So in the ensuing competition, commodities' prices will become much cheaper.

He/she can transfer cash from his/her MSA/SSAs to another one of his/her Sub Savings Accounts or to his wife's/her husband's SSAs to avoid Profit tax. He/she can donate huge amounts to organisations/charitable trusts if he/she wishes. In this process he/she will lose 4% of that transferred cash in the form of Top Tax.

He/she can invest in various Life Insurance schemes. At the end of the maturity period they will get only the actual total premium amount paid without any interest. But in case of premature death or hospitalisation due to illness full insured amount will be paid as in the present system.

Vivid explanation: - The TOP Tax system's tax collections (TOP Tax and Profit tax) for Government and tax payments/tax compliance by all citizens will be totally automatic and involuntary just like respiratory system in human body. Every account (MSA/SSA/CAN) is an involuntary taxpaying account. A person's Main Savings Account number will remain same for his/her entire life time. He/she can change the bank at any time but the account number will remain same. The Main Savings Account number is portable. Citizens need not maintain separate account books and submit tax returns annually for paying either Direct taxes on personal incomes or Indirect taxes while running business or industry. The single tax net (Transfer Or Purchase tax) spreads all accounts and entire nation without bothering about who holds that account. This will put the tax component of goods/services at just one third of tax component of the existing system. Besides that there will be no tax collection expenditure for the Government and absolutely no tax compliance cost for paying either Direct taxes on personal incomes or Indirect taxes while running business or industry. The Transfer Or Purchase tax (4%) will be deducted automatically by computer systems of banks on all money transfers from one account to another account made through cheque, debit card, DD or online transfers irrespective of the fact that who holds that account and for what purpose that money transfers have been made. Thus tax collection and tax compliance will invariably become one and same. This automatic tax payment and tax collection system ensures that there will be no revenue leakages, unaccounted incomes and wealth. There will be no need for Governments to run separate tax collection departments and tax enforcement agencies and departments to see and verify accounts of all taxable citizens. Similarly people need not employ accountants or tax consultants to pay either Direct taxes or Indirect taxes or to submit tax returns. The plethora of tax laws, that are enacted and being used in the present system to enforce tax payments, will not be necessary at all in the TOP Tax system. The millions of tax related legal cases, which are emanated from non compliance of taxes and unaccounted incomes, and choking the judicial systems of all nations, will not be seen in the TOP Tax system. This is how the TOP Tax system works and helps both Government in Direct and Indirect tax collections without tax laws and enforcement, and citizens in paying taxes involuntarily without tax compliance (accounting, auditing, tax returns etc.,) costs.

The collected tax revenues of TOP Tax and Profit Tax by banks will go to Government accounts (SACCA). These revenues will be transferred to various departments/ministries according

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to the percentages as allocated to these departments/ministries at the budget presentation. This percentage of allocations to various departments/ministries can be changed from time to time depending upon the necessity, need, urgency and emergency of the situation that arise unexpectedly. As stated earlier the revenue generation will be smooth, easy and continuous process at minimum burden on people making it possible for the simplified budget presentation. The collection of revenues from people to Government and transfer of these revenues from Government to people through various ministries/departments/agencies is smooth, hassle free and continuous process without leakages, tax collection, tax enforcement and tax compliance costs.

In the present economic system Direct and Indirect taxes are being paid by citizens based on the accounts prepared by them and there is common financial year for all citizens to submit their accounts and Income tax returns. But in the TOP Tax system, TOP Tax and Profit tax will be on account basic. The financial year of each account SSA/CAN begins at the date it is opened and the financial year of MSA will begin at the date the Government allots MSA to each citizen at the age of 15. It doesn't matter much what the financial year of each account is. The number of accounts that begin or end each day is approximately equal to the total number of accounts operated by all banks in that country divided by 365. The common financial year for the whole nation will become irrelevant, unimportant and redundant in the TOP Tax system. Each individual can have a chosen financial year for his every SSA account.

All these savings account numbers are portable. An individual can change any bank at any time but the savings account number will remain the same. An individual's Main Savings Account will be same during his/her entire life albeit whichever bank operates his/her account.

3. TOP Tax system will run on limited paper currency

TOP Tax system, operated by banks, will run on limited paper currency to eliminate black money, fake currency, corruption, ransoms and extortions.

In the present economic system, there is huge money in physical form (bills/notes). For example in India, there is an estimated physical currency of 10,72,020 crores with the public out of total money supply of 77,25,560 crores excluding fake currency in the economic system (As at 2012 - June 29). This physical currency is about 13.8% of the total money supply in the economic system. The percentage of physical money may vary from country to country. There are reported to be plenty of cases of lootings, robberies, homicides, extortions, ransoms, and bribes across the world in almost all nations because of this huge money in physical form. This physical money, in huge amounts, is being transferred from one hand to other eluding all tax nets in transactions of commodities or goods. The unaccounted GDP is said to be too heavy and varies from country to country depending upon the corruption level that exists in that country. In addition to this black money there are also huge amounts of fake currency that has contaminated the genuine currency. The combined effect of the black money and fake currency is playing havoc with economies of many countries. Now money is being treated as an income generating asset and wealth instead of using it as a medium in exchange of commodities, goods, services, and shares, physical and intellectual works. The huge accumulation of money in few pockets in the form of black money is making the cyclic circulation of money in the economic system to be erratic (some times more cycles per year and some times less cycles per year) with stagnation/non usage of money causing economic recession at times. The multiplier effect on the money in banking finance system is decreasing the real face value of the physical currency. Although the individual's earnings are increasing every year, the purchase value of the currency is decreasing and reached almost $1/10^{th}$ of its face value. TOP Tax system tries to fix this problem by qualitative and quantitative supply of money in economic system so that the purchase value of physical currency at its face value remains high and same for longer period of time. The prices of commodities or services will remain

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same or even decrease enhancing the purchasing capacity of people every year with increase in earnings (per capita income) each year.

In the suggested TOP Tax system 99.4% of the money supply available in the economic system will be in dematerialised form in the accounts of citizens, Governments and companies. Only small portion of money, equalling just 0.6% of the total money supply in the economic system, will be in physical form i.e. currency notes Rs 30, Rs 20, and Rs 10 and coins Rs 5, Rs 2, Rs 1 coins.

Under TOP Tax system the value of the limited paper currency should be equal to the value of the [GDP of that country – (exports – imports)] divided by 365. (If GDP = private consumption + gross investment +government spending + Exports – imports). This limited paper currency equalling to 0.6% of the total money supply in the economic system would be more than sufficient if we assume that the average each day consumption of total GDP can be bought by physical currency alone. (100/365 = 0.273). In real terms the low valued commodities or services like, vegetables, fruits, milk, edibles, papers etc., which ought to be bought by physical currency, constitute about 30% of total value of the GDP. In the TOP Tax system all higher valued commodities or services will have to be bought through debit cards, cheques, demand drafts or online cash transfers because of both limited paper currency and restricted monthly cash withdrawals from their accounts. That means even this 0.6% physical currency is more than thrice than actually required. So the retail sellers, street vendors, hawkers, salespersons, who rely on physical money for their business, would not be disturbed.

Every year additional physical currency, equal to 0.6% value of the growth rate of the GDP and additional currency equal to mutilated and torn notes, can be inducted into economic system through government spending.

Every person will be allowed only limited withdrawal of cash from his /her savings or earnings from his/her Main Savings Account even though he/she has huge amount of earning/savings.

Other than cash withdrawals, he/she has to spend, invest or donate his/her earnings through debit cards, cheques, demand drafts or online cash transfers.

The monthly cash withdrawal limit for each citizen can be calculated as follows; - The value of the [GDP value of that country – (exports – imports)] divided by total number of MSA's divided by 12 (months) [GDP / MSA's / 12]. Please not that each citizen above age of 15 years will have only one Main Savings Account (MSA). The monthly withdrawal limit (cash in physical form) will vary from country to country depending upon its GDP value.

For example in India, the parallel economy being run by black money almost equalling the accounted GDP of the country and huge volumes of fake currency will be totally eradicated with the demonetisation of higher value currency notes (Rs 1000, 500, 100 and 50 notes) in the suggested TOP Tax system paving way for corruption free society.

So there will be no generation of black money and fake currency, and accumulation and stacking of money in physical form (cash) will not be possible. Money will be constantly pumped back into the system so as to avoid Profit Tax. The circulation of money in the economic system will be at constant rate with more cycles while checking inflation even at higher growth rate. The more cycles or exchange of money more times means money is spread evenly reaching all people. TOP Tax system would also arrest illegal activities such as drug trafficking, and arms trafficking. Once launched into this TOP Tax system prices would continue to decline to reach a minimum level of ¾th and further up to half level of the present prices due to the following factors namely, low tax component (below 11%), low interest rates (3% per annum), no tax compliance costs and fully open market with more players in the business. Money will be purely utilised only for exchange of goods, commodities, assets, services, shares, physical and intellectual works. When the TOP Tax system reaches its final destination, the prices of commodities/goods or services include only the value/cost of manpower

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(physical/intellectual) where abundant raw materials are available. In the present system the prices of commodities/goods or services include various components like raw materials cost, tax, profit, interest, corruption, tax compliance cost, man power (physical/intellectual), transport, power (fuel/electricity) and shelf life. The final result of TOP Tax system will be the achievement of perfect equilibrium between demand and supply; development and equality; growth and inflation; real money and credit money (loaned money); revenues and expenditure. The lopsided development among people and regions that is being witnessed in the present economic system will cease to exist. The natural resource and wealth of a country can be equally distributed among the people.

Under present economic system there are only a few players, more referees (license, permit, check posts, way bills, auditing, assessment and inspection) and more spectators. The proposed Top tax system will leave space for more players, a few referees (pollution control board only) and a few spectators. The markets will become so wide open with no permits or licences required (except pollution control board's permission) to run any business or industry except those where absolute necessity is required for permissions from Governments for mining ores, minerals, seeds, pesticides, explosives etc,. Thus everyone can enter into the market and start his/her own business or industry without any shackles thereby reducing unemployment substantially. At the same time, with so many players in the market and high competition, the prices of goods/services will become cheaper, benefitting consumers. This invariably increases consumption leading to more production and growth rate.

The basic concept of the TOP Tax system is that only single tax, in the place of present multiple taxes, will be paid by the people on commodities/services manufactured within the country, apart from the customs duty which is imposed only to save domestic industry or business. The customs duty can be removed on certain goods like cement and steel as and when necessary to check the jacked up prices caused by cartel among these companies and also on agriculture produce when sufficient food grain production is not available for consumption or procurement towards essential buffer stock, because of drought or other natural calamities. So the annual budget presentation, if necessary, will be mainly utilised to distribute and allocate revenues to various sectors, departments and welfare schemes instead of focussing on taxation, tax collection and enforcement on tax compliance.

In the present economic system the budget preparation is massive, multi staged, time consuming and laborious process. There are thousands of different high or very low valued goods or services to be segregated into different groups and taxed by both Centre and States with different taxes at three or more slab rates and, as if these are not enough, there are additional surcharges or cesses on selected goods. These tax structures and slab rates on different goods keep changing every year. With these complicated tax structures and ever changing slab rates every year, the tax compliance by individual manufacturers, dealers and retailers has been difficult, cumbersome and bothersome. Taxes are being collected by different tax collection departments based on the accounts maintained by individuals who run industry or business. There is plenty of room for understatement of production and sales, tax evasion and consequent by-product of black money. But in the suggested TOP Tax system there will be single tax called TOP (Transfer Or Purchase) tax with fixed/stationary slab rate (4%) on all money transfers from one account to another account through cheque, debit card and online transfer/net banking in the purchase chain of consumers, retailers and manufacturers. The Transfer Or Purchase TOP Tax (4%) will be deducted automatically by computer systems of banks on all money transfers from one account to another account irrespective of the fact that for what purpose (purchase/donation/salaries/loans) and by whom these money transfers have been made.

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The tax will be only on money transfers form one account to another rather than on the value of good/commodities and services with ever changing slab rates every year at budget time in the present taxation system. So the revenue collections for both Centre and Stated Governments will be instant, automatic, prompt and continuous process throughout the year with no room for tax evasion. There will be absolutely no tax collection expenditure for the Government and tax compliance cost for citizens. The purpose of budget preparation will be only the allocation of revenues, got from TOP Tax and Profit Tax, to various sectors, departments or ministries. Taxation, tax collection, tax enforcement, tax compliance, allocation of revenues to various ministries or departments and money supply into the economy are unified in this unique TOP Tax system. So the budget presentation will become simple, smooth and time saving. Or even there will be no need for budget presentation each year. The yearly budget presentation can be solely utilised for percentage wise allocation and channelling of those automatically collected TOP Tax and Profit Tax revenues by banks to various sectors like housing, health care, education, drinking water, transport, irrigation, agriculture, environment, sanitation, infrastructure projects, rural development, defence and internal policing. The percentage of funds allocated to various ministries, departments or sectors can be changed every year depending upon the need, necessity and urgency acquired by them. The Government structure and machinery can be restructured, downsized and fine tuned not only to reduce wasteful expenditure but also to cater to the basic needs of people concerning housing, health care, education, sanitation and drinking water.

TOP Tax system suggests a new fiscal policy by which the Government spending should be equal to its tax revenues giving a balanced or stable economy. The Government spending can be funded through just one tax called "TOP Tax" in place of present multiple taxes with different slab rates. There will be only single tax called TOP (Transfer Or Purchase) Tax with fixed/stationary slab rate (4%) on all money transfers from one account to another account.

Every year, additional money equalling 52.63% of the value of the growth in the GDP, should be added to the Government account at the time of budget presentation to check deflation and recession. The addition money that should be added every year to the government account = 52.63% x [value of GDP of present year- value of GDP of previous year]. The major portion (50%) of this added money should be allocated towards pensions to senior citizens who have no or paltry incomes. The remaining portion shall be allocated to welfare schemes, health care services, and education and infrastructure sectors. Once this real money is added and merged in the circulating money, the remaining portion of 47.37% of the value of the growth in the GDP, will also be generated through loans as debt money/loan money by the banks and added to the circulating money in the finance system. The banks' profits will increase through interests on this additional loan money every year. TOP Tax system suggests that total liquid money (real money and /loan money) to be necessary for circulation in banks should be at the minimum level 100% and at maximum level 110% of the value of GDP of the country. Assuming that each commodity/service is changed hands three times in the consumer, retailer, dealer and manufacture chain, the cycles of the total money in the circulation will be at average three per year.
To say briefly, the Government's entire concentration and top most priority will shift from taxation, tax collection and enforcement to implementation of welfare schemes and development of infrastructure projects.

In this new economic system the total revenues of any country will be approximately equal to 4% (TOP Tax) X 3 = 12% of the total GDP Value of that country while assuming that each commodity or service will change hands at an average of three times in the consumer, retailer, dealer and manufacturer chain. That means at each change of hands of any commodity or service the money will be transferred from one account to another account while leaving no room for tax evasion. There will

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be additional 5 to 10 % TOP Tax revenues on the resale of the shares, movable and immovable properties, and donations in that country. Furthermore there will be revenues from avoidable Profit tax. In all probability these revenues will be more than 150% of the revenues that are accruing from multiple taxes in the present economic system. Please remember that all these revenues will be collected without any tax collection expenditure on tax collection departments, tax tribunals and tax enforcement agencies

In the suggested TOP Tax system the banks/service centres will become virtually the intermediaries between people and the Government for all tax collections and redistribution of funds/revenues from the Government to people, who should be the natural, eligible and legitimate recipients while eliminating whales, parasites and limpets. Whenever a person migrates or moves to a new place his old address in Main Saving Account (MSA) should be changed with the new address to get monthly ration, subsidies, compensation/ex'gratia/relief funds in the event of natural calamities like earthquake, cyclones, floods, famine, drought, etc., in that particular place and also to get voting right in that particular constituency. In the suggested TOP Tax system the Main Savings Account (MSA) of each person shall be utilised as the de-mat account of that person for holding both movable and immovable properties like shares, lands, plots, flats, gold, silver, jewellery, ornaments, very high valued articles, motor cycles, cars, other vehicles and all other properties/assets. While purchasing or selling, the transfer of ownership rights of these assets/properties from one person to another person shall be made from one person's MSA to another person's MSA through banks/service centres in a digital/electronic form.

Why the "TOP Tax system" suggests total removal of interest rates on demand deposits and fixed deposits?

Any truly democratic Government should ensure that wealth flows from the rich to the poor. But unfortunately the inverse is happening in the present system. Money has been constantly transferring from the have-nots to the haves in the form of interest rates on demand deposits and fixed deposits. The rich are becoming richer by at least 8% every year and the poor are getting poorer every year, by paying interest indirectly on demand/fixed deposits of the rich while buying essential commodities/services, and directly paying through high interests on the loans taken by them. The banks are paying huge amounts as interests to the rich by extracting directly from the poor through high interest rates on the loans given to them and indirectly through interests on loans given to rich industrialists as the industrialists eventually pass on the interest burden to the consumers by enhancing the prices of commodities/services. The majority of the people have to work extra hard not only to earn for themselves but also to pay the interest on the deposits of the rich, although indirectly, by buying interest component included commodities/services at higher prices. The have-nots are paying the entire interest amounts on deposits and savings of the rich either directly or indirectly by default. Instead of using money as medium for transfer of commodities or services between people, the money itself is being used as an asset to generate incomes through interests. The accumulation and stacking of money by an individual is generating money for progeny generation after generation. The generation of incomes on stored money is nothing but a deduction of money from hard earning working class. This parasitic policy of the rich, feeding on the poor by sapping all their energy to the supernaculum, will be ended with the adoption and implementation of TOP Tax system. TOP Tax system will ensure that money will be purely used as medium for transfer of commodities or services among people.

Hence the TOP Tax system suggests total removal of interests on fixed deposits and demand deposits. The rich will have to spend exactly the amount they earn or save and not a

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penny more got by virtue of interest on their surplus money. But at the same time the rich will have greater benefits in the TOP Tax system. They need not pay Income tax at all. They can spend whatever money they earn without bothering about accounting, auditing and income tax returns. The total money, saved from income tax on entire earnings/savings during their life time, will be more than the interest lost on their deposits. More importantly the poor will get money at low interest rates (2% per annum). They will have their own homes and they will get essential commodities at much cheaper prices than today.

Presently, major share of revenues of both Centre and States is being gobbled up by the huge burden cost of interest payments on internal borrowings. The huge amounts saved on interest payments by the Central and State governments on internal borrowings can be utilised to provide free health care services and quality education to all people of the country. It is true that some of the senior citizens rely solely on monthly interest payments on their life time savings. Hence it is absolutely imperative that the major portion of the saved interest on internal borrowings by the Centre and States and the saved tax collection expenditure cost should be given to all senior citizens (with no or paltry incomes) above the age of 65 years as pension every month.

The TOP Tax system suggests the following Prime Lending Rates

As there will be no interest rates on time deposits and fixed deposits, the prime lending rates on loans given by banks will be very low when compared to present system.

Under TOP Tax system maximum of 3% simple interest per annum will be levied on all loans up to Rs. 10 lakhs (taken for agriculture, education, small scale industries, vehicles, house, flats, plots, or any other purpose.

Maximum of 4% simple interest per annum will be levied on all loans more than Rs. 10 lakhs (taken for agriculture, industry, business, education, vehicles, flat, plots or any other purpose)

The private lenders, who have been exacting heavy interest rates hitherto, are forced to reduce their interest rate under the TOP tax system for the following reason.

The bank PLR rates will be just 3% per annum up to Rs. 10 lakhs and 4% per annum over Rs. 10 lakhs and sanctioning of loans by banks will be faster and smoother.

Farmers who take crop loans for khariff or Rabi up to Rs. 10 lakhs will be allowed to pay interest only at the end of the year to renew their loans in order to avoid TOP tax.

Loan takers will have the option of repaying their loans from the source of their income directly to bankers or money lenders for sake of avoiding Top tax. The low interest rates will have two effects on economy. It propels the economic growth rate to higher level and generates huge employment and at the same time the growth rate will not be accompanied by inflation because the inflation always follows high interest rate. The low interest rate in TOP Tax system will break the long standing alliance between growth rate and inflation. The 3% percent difference between PLR rates will help small scale and cottage industries, which give huge employment, compete with big industries and MNCs. The banks' ability to recover loans will also increase because banks maintain all assets of an individual or a company in the same Main Savings Account. The huge non-performing assets will become extinct in TOP Tax system. The conversion of people's, companies, Government's assets into liquid money and vice versa will become easy and simple. Without any interest rates on fixed deposits and demand deposits and low PLRs, the velocity and cycles of money in the banking system will be even and constant.

Getting loans from banks will be much easier faster and smoother. Customers need not produce documents, E.C's, legal opinion's etc., for obtaining loans. Depending upon the loan amount, the bank

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managers will need to put the appropriate asset among the customer's property holding in his/her Main Savings Account (MSA) under mortgage and can sanction the loan without any delay.

All the present day chit fund companies, financial institutions will have to change their operations and services and transform into banking service centres. TOP Tax system requires 5, 00,000 banking service centres. The loss of employment in the tax collection departments and PDS will be compensated by manifold employment generation through large number of banking service centres, hugely expanded health care, education, infrastructure, agro, irrigation and other sectors. The major share of revenues that is being spent on interest payments on internal borrowings, tax collection, over sized Government machinery and PDS, (which does not propel economic activity and create infrastructure and assets), will be better utilised on infrastructure projects, health care services, education, irrigation, agriculture and other sectors to induce huge development, employment generation, and all-round development of individuals and country as a whole. These huge investments on infrastructure will further accelerate economic growth where more tax revenues are feasible to provide all basic needs of people. A country which adopts and implements this TOP Tax system (A new taxation system) will be on right track at faster growth rate in no time. This will reduce over dependence on external borrowings at high interest rate under adverse terms and conditions.

Top Tax system runs on limited paper currency and dematerialised money

TOP Tax system that runs on limited paper currency and dematerialised money will have five distinct advantages over present system which runs on huge paper currency.

1. Limited paper currency at a low denomination value will ensure the total extinction of fake currency. 99.4% of total money supply will be in digital form only 0.6% in physical currency
2. Black money will also meet the same fate as people will be forced to transfer money from one account to another account through cheque, debit card or online transfers for all transactions for personal or business purpose.
3. Ransoms, extortions, bribes, robberies and all illegal activities will come to an end as huge exchange of currency at high denomination values will not be possible because every individual's earnings or savings will be in materialised form in his/her MSA or SSAs.
4. There will be no scope for exchange of huge volumes of money in physical form. All money transfers will be accounted and this eliminates tax evasion. Every account will be an involuntary taxpaying account. Thus tax collection and tax compliance will invariably become one and same. There will be no tax collection cost for Government and tax compliance cost for citizens.
5. Under present tax system if large number of persons wants to cancel their deposits and withdraw their money from banks at once for one reason or other, the money available with the banks will not be sufficient to disburse to all persons at once causing panic and chaos. But under TOP tax system the above scenario will never occur under any circumstances because any person can be allowed to withdrawing only a maximum of 5,000 per month from his Main Savings Account (MSA), and whatever money available in all his Sub Savings Accounts will have to be transferred from those accounts through cheque, debit cards or net banking to other person's account while buying shares, lands, flats, plots, any commodity, goods, service or anything else or in case if he wants to lend money to other persons. He/she can transfer all his/her money from his/her particular MSA or SSA to another SSAs of his/her own account by losing 4% Top tax in this process

Under proposed TOP Tax system each person will be allowed to withdraw a maximum of Rs. 5000 per month from savings or earnings in his/her Main Savings Account only.

The monthly cash withdrawal limit for each citizen can be calculated as follows; - The value of the [GDP value of that country – (exports – imports)] divided total number of MSA's divided by 12 (months).

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Please not that each citizen above age of 12 years will have only one Main Savings Account (MSA). The monthly withdrawal limit (cash in physical form) will vary from country to country.
This table shows the suggested monthly withdrawal limits for India.

Note – This document was prepared in 2009. The following budget figures given below were taken from that year. Since then these figures are not updated. Now the monthly withdrawal limit can be increased to 10000 per month per person.

GDP 2009-10 BE in crores	Total population of country	Approximate. No of MSA's over15years). In crores	Per capita income/ MSA/annum In Rs.	Per capita income in Rs. /MSA/month
58,56,569	116 crores	100	58,565	4880

The monthly withdrawal limit of Rs. 5000 can be increased at budget time depending upon the GDP value. Under proposed TOP Tax system currency in 20, 10, 5 and 2 rupee notes needed to be put in circulation will be approximately valued at Rs. 20,000crores. Besides these currency notes 1, 2, 5 rupee coins will also be in circulation as in present system.
The limited paper currency that needs to be put in circulation may vary from country to country depending upon GDP value of that country.
The value of the limited paper currency should be equal to the value of the [GDP of that country – (exports – imports)] divided by 365. (If GDP = private consumption + gross investment +government spending + Exports – imports)

In crores

GDP 2009-10 BE in crores	agriculture sector 17%	Service sector 55.3%	industrial sector 27.7%	GDP per day
58,56,569	9,95,616	32,38,682	16,22,269	16,405

Source: finmin.nic.in

Out of total GDP value of Rs.16045crores per day an average 30% value of GDP (5000crores) per day will be bought by cash at first stage. Most probably the remaining second and third stages and most probably 70% of GDP (average three stages) will be transacted through cheque, debit card or online cash transfers. Under proposed TOP Tax system holding and carrying of cash of more than Rs. 30,000 over long distances need to be banned. Retailers, petty shop owners and other businessmen should deposit their sale proceeds received in cash in the nearest banks every day. Therefore most of the currency shall be circulated locally.

2007-08 figures Source: rbi.org.in rupees crores

Rs.20	Rs.10	Rs.5	Rs.2	coins			Total value
				Rs.5	Rs.2	Rs.1	
4108	9333	2111	636	3249	1907	2214	23558

The above valued currency (coins and notes) presently in circulation will most probably be sufficient for the proposed TOP Tax system in the case of India.

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The paper money needed to be put in circulation= the value of GDP X 10% of slab rate (4%) divided by 100= value of GDP X 0.4 /100. Paper money will be circulated in low volumes only at primary level in the manufacturer, dealer, and retailer and consumer chain.

Public Distribution System will be carried through banks/banking service centres.

The TOP Tax system suggests distribution of monthly rations in the form of cash equalling the total cost of grains and subsidy portion of kerosene/LPG, sugar, cooking oil, transferred directly to the Main Savings Accounts (MSA) of families, whose annual incomes are less than Rs.1, 50,000 or as decided by the Government at the budget presentation every year. The monthly cash transfers should be made on the 1st of every month to the women's MSA of each family. This system will serve eight purposes. (1) The empowerment of women can be achieved at least to some extent. (2) The misuse of unutilised ration (rice/wheat, kerosene, sugar, cooking oil etc.,) by the dealers will be curbed. (3) There will be no adulteration of diesel and petrol with unutilised /misused kerosene through PDS. (4) The hitherto circuitous, costly and corruption ridden PDS will be gone. (5) The prices of commodities will come down substantially. (6) People can buy quality grains of their choosing by using cash. (7) The price of kerosene can be made on par with diesel eliminating adulteration of diesel and petrol. (8) The misuse of LPG for commercial purpose will be totally curbed. (9) The huge expenditure cost of government machinery used for PDS will be saved.

The amount of cash transfer will be decided at every month based on the prevailing prices of grains at retail market. The monthly ration will be equal to (=) number of KGs of rice/wheat/wheat flour allotted to each family x price+ subsidy portion of sugar + subsidy portion of kerosene/LPG + subsidy portion of cooking oil . So the less/low income group people will get their staple grain at free of cost and total subsidy portion on kerosene, sugar, cooking oil, cereals through cash transfers.

So there will be only one Public Distribution System (PDS) for both Centre and all States combined together through Banks/banking service centres. So the huge government machinery is not required for the PDS saving lot of public money. The cost of the cash transfers will have to be shared in the ratio of 70% by States and 30% by Centre exactly in the same ratio of revenues suggested in the TOP Tax system. See page 5 and 6.

Similarly the fertilizer subsidy amount can be transferred directly to the farmers' Main Savings Accounts as illustrated in the page number 11 facilitating the total removal of subsidy on fertilizers and its misuse by fertilizer companies.

The fifth and most important objectives of banks/banking service centres will be the management of every individual's all movable and immovable properties in electronic/digital formats in the five separate folders in Main Savings Account (MSA).

In the suggested TOP Tax system the Main Savings Account (MSA) with five folders of each person shall be utilised as the de-mat account of that person for holding money, debt money, movable and immovable properties like shares, lands, plots, flats, gold, silver, jewellery, ornaments, very high valued articles, motor cycles, cars, other vehicles and all other properties/assets. While purchasing or selling, the transfer of these assets/properties from one person to another person shall be made from one person's MSA to another person's MSA through banks/service centres in an electronic form.

Under the TOP tax system, lands, plots, flats or other properties purchased should be made through main savings account only. If any person buys land, plot, flat or any other property anywhere in India the extent and nature of the property will be credited in his Main Savings Account and the same property will be debited from the seller's Main Savings Account (MSA). Whenever he/she sells any property that is credited in his MSA, the same will be debited from his/her Main Savings Account and the same property will be credited in the buyer's Main Savings Account (MSA). Just like shares there will be no paper documents for movable/immovable properties. Unlike cash transfers the

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buyer's presence and signature/authentication shall also be needed for any movable or immovable property transaction.

The overall possible component of TOP Tax on goods/services is shown in the following tables. The possible TOP Tax on money flows in consumer, retailer, dealer, manufacturer chain

Table No.1: TOP Tax on High valued Goods/Services (Medium and Heavy) industries

Stage of supply chain (money flow)	From Consumer to Dealer(price) (cheque/debit card/net transfer Consumer → Retailer(commission)	From Dealer to Manufacturer(cheque/debit card/net transfer)	From Manufacturer to Raw materials, Man power etc,(cheque/debit card/net transfer)
TOP Tax=12%	4%	4%	4%

Table No. 2: TOP Tax on Low priced goods/products (Small scale and cottage industries)

Stage of supply chain (money flow)	From Consumer to Retailer(cheque/debit card/net transfer) (cash)	From Retailer to Manufacturer(cheque/debit card/net transfer)	From Manufacturer to Raw materials, Man power etc,(cheque/debit card/net transfer)
Tot TOP Tax=8%	nil	4%	4%

Table No.3 TOP Tax on low priced goods/products/articles (small scale industries) when marketed at State and National level.

Stage of supply chain (Money flows)	Consumer → Retailer (Cash)	Retailer → Dealer(cheque/debit card/net transfer)	Dealer → Manufacturer(cheque/debit card/net transfer)	Manufacturer → Raw materials, Man power etc.(cheque/debit card/net transfer)
Total=12% top tax	nil	4%	4%	4%

Table No. 4 TOP Tax on Agriculture Produce from small and marginal farmers

Stage of supply chain (money flows)	from Consumer to Farmers(cash)	From Farmer to Farm inputs(cash)
Total TOP Tax=0	nil	nil

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Table NO.5: TOP Tax on Agriculture Produce from semi medium and medium farmers (local and district level consumption)

Stage of supply chain (Money flow)	From Consumer to Vendors (cash)	From Vendors to Farmers (cash)	Farmers to Farm inputs, Man power etc,(cheque/debit card/net transfer)
Total TOP Tax=4%	nil	nil	4%

Table No. 6: TOP Tax on Agriculture Produce from large Farmers (State, National level consumption and exports)

Stage of supply chain(money flow)	Consumer to retailers (cash)	From Retailers to Traders(debit card/net transfer)	from Traders ◄ to Farmers(cheque/debit card/net transfer)	From Farmer to Farm inputs, man power etc,(cheque/debit card/net transfer)
Top tax=12	nil	4%	4%	4%

Table no: 7 TOP Tax on small hotels, motels, restaurants and dhabas etc,

Customers to owners (cash)	owners to groceries, salaries and other inputs	Total TOP Tax on money flows
Nil	4%(cheque/debit card/net transfer)	4%

Table no: 8 TOP Tax on star hotels

from Customers to owners (debit card/net transfer)	From owners to groceries, salaries and other input costs(cheque/debit card/net transfer)	Total TOP Tax on money flows
TOP Tax=4%	TOP Tax=4%	8%

Table no: 9 TOP Tax on running of schools and colleges at lower fees

From Parents to management (cash)	Management to towards salaries, materials and other input costs(cheque/debit card/net transfer/)	Total TOP Tax on money flows
Nil	TOP Tax=4%	4%

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Table no: 10 TOP Tax on running of schools, colleges, universities and other institutions at higher fees and donations.

parents management (cheque/debit card/net transfer)	management ⟶ salaries, materials and other input costs(cheque/debit card/net transfer)	Total TOP Tax on money flow
TOP Tax=4%	TOP Tax=4%	8%

The effect of TOP Tax on film industry

Table no: 11

viewer to theatre/exhibiter	exhibiter/theatre to distributor	distributor to producer	From producer to production/expenditure/salaries	Total TOP tax
(If) CASH	Online transfer 4%	Online transfer=4%	Online transfer=4%	12%
Debit card=4%	4%	4%	4%	16%

Apart from the TOP Tax, there will be no entertainment tax on film industry. Also there will be no other taxes that are being presently imposed on raw film, cameras and all other equipments and service taxes in the entire production stage.

Table no: 12 TOP Tax on Real estate sector

From Buyer to developer/builder(cheque/debit card/net transfer	Builder/developer to raw materials and other input costs(cheque/debit card/net transfer	Total TOP Tax on money flows
TOP Tax=4%	TOP Tax=4%	8%

Table no: 13 TOP Tax on low priced items/goods/articles/fruits/edibles etc,

consumer to street vendor/seller/hawker(cash)	Vendor/seller/hawker to retailer/wholesaler/inputs(cash)	Total TOP Tax on money flows
TOP Tax=nil	TOP Tax=nil	nil

Effect of TOP Tax system on intraday trading In the present system Securities Transaction Tax (STT) on Sale of equity shares, units of equity oriented mutual funds in intraday trading =.02%

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Table: 14 example Figures in Rupees.

Present system	Buying value 100,000	Selling value 99,000	Total value 1,99,000	Securities Transaction Tax=.02%of total value=39.8	Total loss=1000+39.8= 1039.8
Suggested TOP Tax system	Not applicable	Not applicable	Not applicable	TOP Tax=4%of transferred loss amount=40	Total loss=1000+40=10 40

From the above table it is observed that there is no discernible variation in both the systems.

Effect of TOP Tax system on buying of shares

In the present system Securities Transaction Tax (STT) on purchase or sale of equity shares and related mutual funds=0.10%

Table no: 15 example Figures in Rupees

present system	Value of shares=1,00,000	STT=.1%of value=100	Total cost of shares=1,00,100
TOP Tax system	Value of shares=1,00,000	TOP Tax=4%of transferred amount=4000	Total value of shares=104000

Effect of TOP Tax on petroleum products diesel, petrol, LPG, kerosene, ATF, bitumen, lubricants etc,

Table no: 16

Consumer ⟶ dealer/filling station	Dealer ⟶ refineries(cheque/debit card/online transfer)	refineries ⟶ salaries/raw materials/maintenance etc.(Online transfer)	Total TOP Tax
A) cash	TOP Tax=4%	TOP Tax=4%	8%
B)Debit card 4%	TOP Tax= 4%	TOP TAX= 4%	12%

TOP Tax on loan repayments can be avoided by repaying loan amount directly from the source of a person's income to the bank account or money lender's account from whom the loan has been taken. The average interest % will be less on loans taken over longer period.

From all the above tables it is conclusively clear that in the TOP Tax system the total tax component on any product, commodity or service will be less than 12% whereas the average tax component is more than 35% in the present tax system. It is more than obvious that the prices of all products, commodities and services will become cheaper increasing the purchase capacity of people.

Please note that the total TOP Tax on all commodities/services shown above in all tables will be actually less. The reason for this is that the actual TOP Tax on all commodities/services = 4% of purchase price at retailer + 4% of (dealer price – retailer's profit) + 4% of (manufacturer price – dealer's profit – manufacturer profit). So the tax will be only on price of the commodity/price and retailers profit only excluding the dealer and manufacturer's profits.

But in the present economic system the total tax component of any commodity/service also includes the tax on the retailer's, dealer's and manufacturer's profits. Hence the consumer is paying

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tax not only on the price of the commodity/service but also on the total profits of all the players in the market. So the tax is being levied on the price of the commodity/service and all the profits of retailer, dealer and manufacturer combined together. In literal sense the cost of any commodity/service includes the manufacturing cost, the total profits, the interest component, the total tax component and corruption component. The low interest rates, the lowest tax rates no corruption component in TOP Tax system will ensure the availability of commodities/services at much reduced prices than in the present system.

The slab rate (4%) on all money transfers is same and fixed and will be automatically deducted from all accounts operated by banks and transferred to the State and Centre's combined account (SACCA). The other tax, Central Excise duty apart from TOP tax, should be imposed heavily on three items-- cigarettes, liquor and cars so as to discourage people from smoking, alcohol consumption and to decongest roads in countries where population density is very high.

In the present tax system the tax component on any commodity, product or service will be same for all people whether they belong to high or low income groups. But in the TOP Tax system people, who have low incomes, will pay at least 4% less tax on any commodity or service as they can use cash while buying at local markets, street vendors, salespersons and hawkers. The low income group people can avoid one link of TOP Tax in the manufacturer, dealer, retailer, consumer chain.

In the present tax system the major portion of cash flows are in physical form avoiding all tax nets in the supply chain consisting of consumer – hawker/street vendor; street vendor – retailer; retailer – dealer; dealer – manufacturer; manufacturer – raw materials; profits – investments/spending links. Black money is being generated in these unreported, hidden or underground transactions carried through physical money.

But in TOP Tax system, the cash flows in physical form will be only in the consumer – retailer/street vendor/hawker link when low priced commodities, products or services are purchased. In all other links of the supply chain, the money transfers will be via online from one account to another account.

With low tax rates in the TOP Tax system when compared with present taxation system, the government will have the maximum manoeuvrability in total decontrolling of the retail prices of petrol and diesel while aligning domestic prices with global ones. Even with total decontrol of the prices of petrol and diesel, the prices will be at par or below the present prices, totally wiping out the under recoveries of the major public sector oil companies and substantially decreasing the level of government subsidies.

4. Operating cost of the TOP Tax system: For example India (2009)

[Note - This document was prepared in 2009. So the operating cost was based on the figures available in 2009. Since then this operating cost example has not been updated with the latest figures. Since then money supply has been increased in the banking system. So the bank profits would be more than the figures shown in this example even with the increase of salaries of the employees to almost double than it was shown in this example]

The total number of Banks/service centres (Private& Public) to be provided under TOP tax system (a bank for every 2000 population) will be around 5, 00,000.

After establishing sufficient number of banks/service centres by the Government with the help of private sector banks and financial institutions, all the citizens of India need to be asked to deposit all the currency notes of 1000, 500, 100 and 50 rupees except 20, 10, 5, 2 rupee notes/coins, available with them in these banks in their Main Savings Account (MSA) or Sub Savings Accounts (SSA) within a stipulated time of 30 days. All presently run savings accounts and current accounts would be converted in to Sub Savings Accounts (SSAs) with the same account numbers and can be operated from the same banks. Similarly, people who have money in the fixed deposits and FDRs will have to transfer all their

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money from these fixed deposits and FDRs to their respective newly given MSAs or newly opened/converted SSAs within the same stipulated period of 30 days. People will have to spend exactly the amount they earned/saved and not a penny more (got by virtue of interest so far) as and when and in whatever manner they want. Except the miniscule part of the money in physical form of Rs. 20 and Rs. 10 outside the system, the entire money of people and Government will be inside the TOP Tax system in the banks in digital/numerical value in three types of accounts MSA, SSA, CAN. The huge money available with the banks will be lent at low interest rates. The prime lending rates will be 2% simple interest per annum up to Rs. 10, 00,000 and only 4% simple interest per annum on amounts above Rs. 10, 00,000.

In TOP Tax system there will be no interest on fixed deposits, demand deposits, bonds, etc. In that case the banks will not pay interest on deposits in banking system. Up to 90% (if CRR = 10%) of total real money belonging to people, companies, banks, organisations and Government, can be lent to people, companies, organisations and Government at Prime Lending Rate (PLR) 3% per annum up to Rs. 10 lakhs and 4% per annum for above Rs.10 lakhs

The banks' expenditure will include only the wage bill, provisions and contingencies. The Government can borrow money from banks up to maximum of 24 % of total loan money available in banking system. The PLR (4%) will be same on all loans above 10,00,000 given by banks to people, industry or Government. There will be no repo reverse repo rates.

Note - This figures in the below tables are assumed to be a per the data available in 2009 when this document was prepared. Since then, the figures have not been updated. If we take into the present size of the economy and volume of the money supply the banks profits would be twice more than the estimated in these tables

All figures are approximated

Number of Bank branches/service centres required	5,00,000
Number of Employees required (1x3)	15,00,000

A: Operating cost per year: Rupees in crores

Table -A

15,00,000 employees salaries (25,000 per month for each employee) for the year {15,00,000 x 25,000 x 12months}	45,000
As most of the bank branches/service centres will be established In rural areas, villages, municipalities, townships, colonies, average rent per branch will be around Rs 10,000 per month Total cost of rent per annum {500000branches x 10000 Rs. x 12months}	6,000
electricity bill per annum {500000branches x 10000 Rs. x 12months}	6,000
Stationary charges per annum {500000branches x 10000 Rs. x 12months}	6,000
Maintenance incl. internet {500000branches x 10000 Rs. x 12months}	6,000
Total Operating Cost per Year	69,000

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B: Possible Incomes through Interests under TOP tax system Rupees in crores
Assumed estimate for TOP Tax system if it is implemented

Term loans of all commercial banks (as at end-March 2011) Source-	23,65 063
Cash credits and over drafts(as at end-March 2011)	16,92,042
Total advances	40,57,105
(B)Avg. PLR will be 3% and total interest accrued per annum from borrowers (people, industries and Government approved securities/bonds) will be (apprx maximum) assumed	1,21,713
(A)Total operating cost of the TOP Tax system assumed	69,000
Total net profit assumed if TOP Tax system is adopted	52,21,713

There will be additional incomes from Profit Tax and registration charges on lands, plots, flats, industries, assets and vehicles. The registrations charges levied on transfer of propertied will be same through the country - Rs 1000 per each acre or 1000 square feet of flat or 300 yard of plot.
The employees needed for Banking system in TOP Tax system will be three times more than Present banking system. All employees presently working in tax collection departments, NBFC's, revenue departments, insurance companies, registration departments (lands, plots, flats, assets and vehicles) passport offices, public distribution system, census department, and privately employed accountants, auditors and tax consultants should be accommodated in the TOP Tax system's overly enlarged banking system.
Considering the fact that the prices of all commodities and services in TOP Tax system will be half when compared to present system because of low tax component (>11%) and low interest rates, the salary of 25, 000 per month will be equal to salary of 40, 000 per month in the present system.
Under TOP tax system all interest rates will be removed on Time deposits and demand deposits. All NBFCs, cooperative banks (rural or urban), financial institutions will have to convert into operating branches of TOP Tax system.

5. Comparative study of Tax revenues. For example India

The comparative study of Centre's tax revenues under present system with respect to 2009-'10 union Budget estimates and the proposed TOP Tax system. Under the proposed TOP Tax system the TOP Tax will be 4%x3=12% of BE 2009-'10 GDP 58,56,569crores as each commodity or service will be transacted at an average of three times(manufacturer/service provider, dealer and retailer) . The revenues from single tax (TOP Tax of 4%) under TOP Tax system, if implemented, are assumed to be higher because full GDP will be accounted. These below figures are only imaginative in nature and not based on actual figures. If TOP Tax system is to be adopted and implemented, the tax collection departments, tax enforcement agencies, registration departments for movable and immovable properties, census department, public distribution department, passport offices and revenue departments will have to be merged in banking system. The Government's non plan expenditure will be greatly reduced.
Note - This figures in the below tables are assumed to be as per the data available in 2009 when this document was prepared. Since then, the figures have not been updated. This is comparison is given for example only.

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Rupees in crores

So TOP Tax =4%x3=12% of58, 56, 569 (GDP) BE 2009-'10	7, 02, 788
All States share=70%of7, 02,788crores	4, 91,951
Central Government's share=30%of 7, 02,788	2, 10, 836

Central Government's Tax revenues (2009-10 BE) Rs. in crores

S. No	Type of Tax	Revenue under present system	Revenue under proposed TOP Tax system
1	Top tax	-	2,10,836
2	Corporation tax	2,56,725	2,56,725
3	Taxes on income other than corporation tax	1,06,800	-
4	Taxes on wealth	4125	-
5	Securities transaction tax	6,000	-
6	Customs/Import duty	98,000	98,000
7	Bank cash transaction tax	50	-
8	Union excise duty	1,06,477	-
9	Service tax	65,000	-
10	Taxes of Union Territories without Legislatures	1,602	-
	Total	6,41,079	5,65,561

Difference between two systems -75,518crores

Although the Central Government's tax revenues under proposed TOP Tax system are a little lesser than that of tax revenues under the present tax system, it will be more than compensated by the following factors.

There will be no unaccounted GDP and the revenues from TOP Tax on the actual GDP, which is almost twice than the recorded GDP in the present economic system, will be actually twice than the revenues assumed above. Under proposed TOP Tax system the tax collection expenditure is almost zero. Similarly the huge interest burden on internal borrowings and non plan expenditure will be reduced to one third levels.

This huge amount, saved from interest burden on internal borrowings and saved non plan expenditure cost on tax collection departments, tax enforcement agencies, registration departments for movable and immovable properties, census department, public distribution department, passport offices and revenue departments, can be invested on health care services, education sector, sanitation, drinking water, housing sector, irrigation sector, infrastructure sector, etc., not only to provide all basic services to people at free of cost and but also to generate huge employment.

Central Excise duty which can be applied only on cars, tobacco products and soft drinks has not been added to the tax revenues of proposed TOP Tax system.

The States' share of revenues from the proposed TOP Tax will be (Rs 1, 63,029 crores) more than the tax revenues under the present system. See Table No: 4 given below.

Under proposed TOP Tax system the overall States tax revenue shares from Union taxes and duties (including TOP Tax share) will be more (Rs.92, 618crores) than under present system..

Under the proposed TOP Tax system there will be no tax evasion, unaccounted/shadow transactions, black money and fake currency at all. If we take into account the unaccounted GDP of India, the actual GDP would have been more than the estimated GDP under present

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system. So the proposed TOP Tax revenues accrued from actual GDP will be more (almost double) than that actually shown in the tables. The proposed Profit Tax (PT) has not been added to the estimated tax revenues under proposed TOP Tax system, as it is not known the exact Profit Tax available until the TOP Tax system becomes operational.

The comparative study of tax revenues of all states under present system with respect to 2008-'09 budget estimates and under the proposed TOP Tax system. Under the proposed TOP Tax system the TOP Tax will be 4%3 = 12%of BE 2009-'10 GDP value of 58,56,569 crores as each commodity or service will be transacted at an average of three times (in the manufacturer/service provider, dealer and retailer chain)

TOP Tax =4%x3=12%of 58, 56, 569crores (GDP) (BE 2009-'10)	7, 02, 788crores
All States share=70%of 7, 02, 788crores	4, 91, 951crores

Table No: 4 Rupees in Crores

Under Present System				Under Proposed Top tax system
Year	All States		Total	All States Top tax Share
	Direct	Indirect		
2008-'09(BE)	42,744	2,86,178	3,28,922	4,91,951

Difference between two systems =1,63,029 crores

The States' share of revenues from the proposed TOP Tax will be (Rs 1, 63,029 crores) more than the tax revenues under the present system.

Comparative study of all states net proceeds of union taxes and duties under present system and proposed "Top tax system

Table No: 5 Rupees in Crores

All states tax revenues shares from Union taxes and duties for B.E. 2009-'10			Under proposed "Top tax system"
S. No	Type of Tax	Share Amount	Share Amount
1.	Corporation tax	66,447.61	66,447.61
2.	Income tax	32,376.62	-
3.	Wealth tax	63.65	-
4.	Customs duty	27,503.11	27,503.11
5.	Union excise duty	18,552.95	-
6.	Service tax	19,428.50	-
7.	Other taxes and duties	-6.70	-
8.	Expenditure tax	-3.96	-
	Total	1,64,361.78	93,950.82
9.	All state revenues (Direct and Indirect) 2008-'09 B.E.	3,28,922.00	-
10.	Proposed "Top tax system"	-	4,91,951.00
	Grand Total	4,93,283.78	5,85,901.00

Difference between two systems= Rs.92,618 crores

Under proposed TOP Tax system over all States tax revenue shares from Union taxes and duties (including TOP Tax share) will be more (Rs.92, 618crores) than under present system.

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6..... Advantages of TOP tax system: For example INDIA

There is an estimated currency of 10,72,020 crores with the public out of total money supply of 77,25,560 excluding fake currency in the country. (As at 2012 - June 29). This physical currency is about 13.8% of the total money supply in the economic system. With the adoption of the TOP tax system, all the available currency notes except Rs.2, Rs.5, Rs.10, and Rs.20 notes with the public will have to be deposited in their Main Savings Account/Sub Savings Accounts in the banks. Henceforth all notes except Rs.2, Rs.5, Rs. 10 and Rs. 20 notes will be demonetised. TOP Tax system restricts physical currency to the level of just 0.3% of the total available money in the banking finance system. The remaining 99.7% will transfer from one account to another account through online transfers, debit cards or cheques upon exchange of commodities, services, properties, donations etc. There will be no money in the form of black money and fake currency both outside and inside the TOP Tax system. All the money and wealth, generated by the individuals, will have to be constantly circulated, used, and transferred inducing gravitation within this system. No money can escape from the powerful gravitational pull of the TOP Tax system into the outer space (other countries) through hawala, money laundering or other illegal ways. The miniscule part of money in the physical form (currency notes) will act as an Ozone layer to protect the TOP Tax system from harmful U V rays and radiation (terrorist and militant activities) from outer space (other countries). The TOP Tax system suggests total removal of interest rates on all demand deposits (savings) and fixed deposits. The huge availability of money with the banks will make it possible to give loans at the lowest interest rates. All the senior citizens above the age of 65 years with no or paltry incomes, physically challenged, visually challenged, and orphans would be given monthly pensions. To know how this is possible, please see page number 17 to 21.

As interest rates are very low at 4%per annum the industrial products will become cheaper and competitive in international markets. So the exports will be substantially increased thereby, decreasing the wide gap in the balance of payments. As a result this new system may make India an economic super power in no time.

Under present system the Central Government is paying fertilizer subsidy directly to the fertilizer companies. Now the proposed TOP Tax system suggests deregulation of the fertiliser prices and the entire allocated subsidy for fertilizers in BE 2009-'10 budget 49,980 crores can be paid directly to farmers' Main Savings Account as illustrated in the following table.

Table No: 6 Suggested TOP Tax system

S. N	Farmer status	Land possessed by farmers	No .of farmers in crores	Percent of allocated subsidy	Subsidy amount crores	Each farmers ' share Avg.	Share per hectare In Rs.
1	Marginal	Up to 1.0 ha	5.89	65%	32,487	5,515.00	5,515.00
2	Small	1 to 2 ha	1.69	20%	9,996	5,914.00	3,942.00
3	Semi medium	2 to 4 ha	0.93	10%	4,998	5,374.00	1,791.00
4	medium	4 to 10 ha	0.42	5%	2,499	5,950.00	850.00
	Total		8.93	100%	49,980		

Source: agri. Ministry

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The fertilizer subsidy amount got by the marginal and small farmers can be utilised to meet the full expenditure cost of the fertilisers, seed and major portion of other input costs. The combined benefits of fertilizer subsidy amount and loans with very low interest rates will alleviate marginal and small farmer's problems to great extent and reduce suicides. It is obvious that the suggested TOP Tax system will ensure proper and equal distribution of fertiliser subsidy among farmers.

Under present system major portion (80 to 90%) of fertilizer subsidy is being gobbled up by medium and large land holding formers by using large quantity of fertilizers while small and marginal farmers are getting only small portion (10 to 20%) of fertilizer subsidy. This anomaly shall be effectively corrected in TOP tax system.

The Main Savings Account (MSA) can be operated from any bank and anywhere in this new economic system adopted country. For example in India, It is much easier for the government to determine below poverty line families to give them monthly ration, old age pensions, pensions for physically challenged, orphans and pensions for visually challenged. The 5crore least income families (20 crore people) based upon Main savings accounts (MSA) can be given Rupees 1000 per month by cash transfers directly into their main savings account on the following condition

a) They need to send their children to schools

b) They need to attend adult classes at night to make India 100% literate nation.

All orphans' care and welfare shall be looked after by Centre and State Governments till he reaches age of 20 years by providing him/her free education, health care service and high value nutritious food. Therefore there will be no child labour in India.

Under the TOP tax system there will be no benami land holding and a person cannot hold more than 20 acres of land for agriculture purpose. Under proposed TOP Tax system the land ceiling will be an account basic (Main Savings Account) unlike family basic under present system. Presently the rich are enjoying huge tracts of agriculture land under different names in different States, making mockery of the land ceiling act. TOP Tax system ensures that the land ceiling act can be implemented in totality to perfection making Government's task easier in pushing forward land reforms and allocating land to landless poor. If an individual or company acquires land of more than 20 acres for industry, studios, real estate or any other purpose, land tax of 10,000 per acre per annum needs to be levied. If land is acquired for SEZs the farmers should be paid not only the market price of the land but also Rs 1,000 per acre per month for rest of his/her life and thereafter to his/her legal heir. It is easier for local panchayats, municipalities, corporation to collect house tax, vacant plot/land tax and properties tax as all the details of a person's properties are recorded in his/her Main Savings Account (MSA).

The registration charges for purchasing any property i.e. land, plot, flat, house or other commercial establishments will be same and equal all over India irrespective of the place and market value of property. The registration charges would be only Rs. 1,000 per acre, Rs. 1,000 per 300 square yards of plot or Rs 1,000 per 1000 square feet of flat and multiples thereof. These registrations can be made in any bank and anywhere in India. It is needless to mention that if a person buys a property (land, plot, flat, house, commercial establishment) for Rs. 10 lakhs, a TOP tax of Rs. 40,000 will be deducted from his MSA or SSA while transferring the cash to the sellers account. If he/she buys the same property for Rs. 1 crore the deducted TOP tax will be Rs. 4 lakhs. In the case a person transfers a property as a gift to his/her son/daughter or

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any other person, trust or organisation the TOP tax deducted will be nil as there is no cash transfer made.

The most noteworthy usage of the TOP tax system is preparation of electoral rolls for general election, State election and local body elections. Under the present system the preparation of electoral rolls is cumbersome and time consuming process taking up to 6 months and yet the final list will be always defective with complaints galore from the electorate who do not find their names in the voters list on the poling day. Under the proposed TOP tax system, MSA lists in the banks are virtually the electoral Lists and will be available the same day the election notification is released. So there is no question of non-inclusion of any citizen in the voter list and there will be no bogus voting.

But in the case of any by-election, the voters list (MSA list) of the last general election or State election, which occurred last, needs to be taken into consideration because political parties may encourage their followers from other constituencies to change their local addresses in their Main Savings Accounts (MSA) with new addresses where the by-elections will be held.

By using this system, Government machinery can be fine-tuned to ensure accountability, efficient weeding out of wasteful expenditure and constant monitoring. All leakages in the transit of funds from government to end user will be plugged to get the desired results. The Central Government must shed its lethargy, policy vacillations and indecision to provide the necessary infrastructure for economic development and redistribution of revenues to the needy to alleviate poverty. The Government will have enough money to bear the total expenditure cost of health care service and education of all families. Please see page 18 to 21.

Traders, businessmen, individuals(own industries) dealers will no longer need to maintain account books, stock lists, sales lists, purchase bills etc for assessment purposes.

The exact Population figures of India can be available on any day at any time from Main Savings Accounts and there will be no need for the Central Government to carry out laborious process of census at every decade.

If this TOP tax system is adopted by all countries, the whole world will become into one homogeneous and reasonably equitable society, devoid of all economic ills, terrorism, militancy and inequality.

There will be no fake currency and black money in the proposed Top tax system, because 1000, 500, 100, 50 rupee notes will be demonetised. Printing of fake currency in 20 and 10 rupee notes will become highly expensive, risky and impossible to put into circulation in large numbers. Militancy and terrorism is usually fostered, run and operated by the notorious triumvirate of black money, fake currency and extortions. With the advent of TOP Tax system the triumvirate of black money, fake currency and extortions will be totally eliminated, stemming the flow of funds to operate terrorist modules and causing instant death to terrorism and militancy.

Political leaders can't buy votes by distributing money, liquor and gifts in the elections and expenditure limit for each constituency will be strictly adhered to.

As there will be no individual Income tax, the individuals who run small scale industries, business can put their all profits back into their business and slowly capture the space and market of corporate companies and MNCs. The corporate companies and MNCs will have to pay the Corporation Tax (Profit Tax) as per the existing Corporation Tax structure.

There will be no duty (Central Excise under proposed TOP Tax system) except on tobacco products, soft drinks and cars.

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Reason: With no Excise duty and VAT/Sales Tax the tobacco products will become cheaper resulting in more addiction and consumption which leads to health problems. So a higher rate of Central Excise duty should be imposed on tobacco products to lessen their consumption. Similarly soft drinks which do not have any nutrition value should also be levied with high rate of Central Excise duty to encourage persons prefer fruit juices indirectly helping farmers, farm labour and fruit vendors. Non taxi service cars also should be imposed with high rate of Central Excise duty.

Under proposed TOP Tax system no person will be allowed to hold more than 20 acres of land.

Reason: Area of land under cultivation in India is approximately 12.44crore hectares (2006-07 figures) giving agriculture produce 23.07crore tonnes and there are 5.89crore marginal farmers. For every 10 persons just one hectare is available to produce sufficient food grains. Recently huge chunks of agriculture land are being converted in to real estate, S.E.Zs and other purposes, affecting agriculture produce and making marginal farmers into labourers. Usually in India the marginal and small farmers fully utilise their lands. Besides the major crop, they also produce vegetables and pulses as inter crop. The small farmers also raise at least one female buffalo/cow, goat and sheep for milk not only for his consumption but also for dairies to supplement his earnings. This scenario has changed in rural areas due to advent of real estate boom and S.E.Zs policy. Besides that, with the boom of real estate sector, now affluent persons are buying agriculture lands and not doing agriculture seriously. Large acres of land have been acquired for S.E.Zs and industries beyond actual necessity and in most cases industries have not been set up or delayed for one reason or other. If this trend continues there will be further reduction in area of land under cultivation. This leads to severe shortage of food grains and it is not safe to rely on imports for huge quantity of food grains. Already the prices of agriculture commodities have almost tripled during past five years beyond purchasing capacity of common man. To offset this anomaly a land cess of Rs.10000 per acre per annum needs to be imposed on lands acquired for industry or any other purpose exceeding the limit of 20 acres. A farmer can hold only 20 acres of land for cultivation. This land ceiling will be on individual basic, instead of family basic in the present economic system. That means that all small scale industries, which require less than 20 acres of land, will come outside the tax net of land cess.

Under proposed TOP Tax system interest rates need to be removed on fixed deposits and demand deposits.

Reason: According to 2008-09B.E. combined total liabilities of the Centre and States are Rs. 38, 91,740crore. The Centre's interest payments alone in the 2009-10 B.E. will be Rs. 225511 crore. Under proposed TOP Tax system the interest payments will be down to one third of that amount i.e. 75000crores. Therefore the Central Government will have the where-withal to spend nearly Rs. 750000crores to spend in health care and educational sectors to bear the entire expenditure cost of hospital and education bill of BPL and middle class families whose annual incomes are less than Rs. 3 lakhs. The Central Government will also be able to spend the remaining Rs. 75000crores on rural infrastructure like roads, electricity, drinking water; agro based small scale industries, irrigation and agriculture.

Every system has its own intricacies embedded at the initial stages but the herald of low interest rates; lower tax rates, the lowest prices and above all better tax revenue collections will offset all hurdles thereby leading to much better quality and longevity of life than under

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present system. This new system may not be easily comprehended not because of its complexity but because of its super simplicity. But once this system is adopted and implemented people will slowly and steadily get accustomed to the new system enjoying the true benefits of genuine democracy and finding them immersed in egalitarian society free from corruption, poverty and fear. The ultimate objectives of providing equal opportunities, equitable distribution of resources and wealth, free education and health care services to all citizens, irrespective of caste, creed and religion, can be achieved only with the adoption and implementation of the TOP Tax system. With single tax for both Centre and States combined and without check posts, the TOP Tax system will break all tax and transport barriers between States facilitating hassle free movement of goods from one place to another, integrating India through equal distribution of tax revenues. The TOP Tax system's tax base is so wide that it could generate more tax revenues with minimum slab rate and the total tax component of goods/service will be very low when compared to the existing tax system.

In the present system the rich are getting richer year after year by getting interests on their time deposits and fixed deposits, while the poor are getting poorer year after year while paying high interests on the loans taken by them. The wide gap between the rich and the poor can be bridged with the removal of interest rates on time deposits, demand deposits (savings interests) and consequently low PLR in the TOP Tax system. With the availability of money at the lowest prime lending rates, the prices of commodities, services and agriculture produce will become cheaper, enhancing the buying capacity of the people.

A day may surely come when all nations will have no other option but to accept and implement this new taxation system.

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How to stop farmer suicides in India

Farmer suicides account nearly 10% of all suicides in India. Most of the farmer suicides are from marginal and small farmers

The main problems the farmers in India are facing --

1] Heavy debts due to high interest rates imposed by private money lenders. Farmers find it difficult to get loans from banks

2] Major portion of agriculture subsidies is being gobbled up by rich farmers

3] There is no foolproof mechanism to help farmers get crop insurances in case of drought, floods, cyclones, heavy rains etc.,

4] The agriculture input cost has risen many times.

5] Low produce price for all agriculture out puts

6] Not sufficient cold storage facilities for perishable agriculture produce

7] Highway toll gate fees

8] Not availability of fertilizers at right times

9] No uniform crop area extent. Some regions produce huge quantities and some regions produce deficient food grains. This results in cross transportations of food grains for long distances eating away the major price of the agriculture produce

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10] Non availability of electricity for agriculture pump sets for 24 hours a day.
11] Animal slaughter houses and export of beef.

Solution

* The land savings account solves many of the problems faced by the farmers
* Each person should have a land savings account to buy agriculture land anywhere in India.
* Based on this land savings account the marginal, small farmers can be easily distinguished
* All agriculture subsidies should be given only to these small and marginal farmers.
* By using the land savings account all rich farmers should be kept out of the reach of farm subsidies. Subsidies should be given to farmers who depend only on agriculture income. The rich farmers, who have other sources of incomes from government or private jobs, contracts, business, industry should be kept out of the reach of agriculture subsidies.
* There are 8 crore small and marginal farmers. If the subsidies are earmarked only for small and marginal farmers then each small and marginal farmer gets 10,000 for year.
* If Land Savings Account is attached to banks then farmers will get farm loans from banks within 5 minutes at the annual interest rate of 3% per annum.
* Fertilizer distribution can be streamlined by using this Land Savings Account
* All animal and slaughter houses and export of beef should be immediately banned.
* Every year 60 lakhs of cows and buffaloes are being slaughtered in India. Because of this slaughtering the number of animals is decreasing thereby increasing the cost of each animal over Rs 30, 000. This over cost of cows and buffaloes is outside the buying capacity of small and marginal farmers. Because of the high rate of cows and buffaloes the small farmers are depending on high cost fertilizers. Had the cost of cows and buffaloes been within the buying capacity of small and marginal farmers, the natural manure derived from cow dung would have been used for raising crops by the small and marginal farmers. It would also have decreased the pests and pesticide costs. Health wise people would also benefit from food grains produced from organic manure.
* The toll taxes for vehicles which carry agriculture produce should be abolished. Then the prices of agriculture produce will reduce by at least 5%

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General elections - voting on single day and in single phase

* This expanded banking system will help the Election Commission conduct polling for General elections on single day and in single phase.
* All elections from panchayats to Parliament can be conducted with the help of expanded banking system with minimum cost and without rigging and impersonate voting.
* As stated earlier the there will be a bank branch in every village or colony having a population of 2,500.
* Every citizen above the age of 15 years will have one compulsory Main Savings Account in the banks. Each individual will have only one Main Savings Account. There will be no possibility of generating duplicate Main Savings Accounts for the same person. Individual can have any number of Sub Savings Accounts if he wishes. There is no limit for having Sub Savings Accounts for each individual but there will be only one Main Savings Account for each individual above the age of 15 years.
* Each bank branch will handle approximately 2000 Main Savings Accounts.
* All citizens above the age of 18 years as recorded in their Main Savings Account will have voting rights automatically.
* All banks are connected to central servers maintained by Central bank. All citizens' finger prints' data will be stored in Central Bank servers.
* Citizens need not enrol their names in voter lists as in the present system. All citizens will get into voter lists once they get the age of 18.
* No government machinery is needed to enrol citizens in voter lists.
* There will be no possibility of complaints from voters for non inclusion of their names in voter lists
* The banks will submit the list of all individuals above the age of 18 years according to the Main Savings Accounts handled by each bank branch to the Election Commission as and when the Election Commission asks for it.
* As it is stated earlier there will be a bank branch in every colony or village having population of 2500.
* Each bank branch premises should have two huge rooms/partitions/floors/ blocks
* The one room/partition/floor/block will be used for daily banking operations and the second room/partition/block/floor in the same bank premises will be used as polling booth for all elections from panchayats to Parliament, from general elections to bye-elections
* In this second room/partition/block/floor of every bank branch two voting machines are placed permanently and in working condition
* These voting machines are connected to the servers in the Central Election Commission
* The finger prints and images of all voters [account holders whose age is above 18 years] will be stored in the Central Election Commission servers

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*The voting machines will have two parts. The upper part will have screen out side as in the ATMs. The lower part will be empty

* On the screen of the upper part of the voting machine there will be elections symbols of the contesting candidates. These symbols will be in single row.

* The election symbols are same in all voting machines of all branches that are situated in same constituency.

* The symbols in the voting machines may vary according to the contesting candidates in different constituencies.

* These are designed to register votes both digital recording and symbol printing on roll of paper

* Every machine will have separate spools for all symbols. The roll of the paper spool should be 50 metres long and width of the roll should be 2 cm. The paper slip thickness that is being used in the present ATMs is enough to this voting paper also.

*The entire roll of paper which is 50 metres long should be divided into 2500 square parts. Each part on the roll of paper is 2 cm width and 2 cm height.

* Inside the voting machines these 8 spools are fixed in alignment of the symbols on the front screen of the voting machine

* One square part of each spool paper can be seen empty from outside.

* One square part of each spool paper can be visible side by side in a single row through glass below each symbol of contesting candidates.

* On the back side of each part of this spool paper there will be serial numbers from 1 to 2500. These numbers will not be visible to the voter.

* If there are more than 8 candidates contesting in constituency then there would be two voting machines. To reduce the number of contestants and eliminate the non serious contestants electoral reforms are required. See the web site - www.electoralreforms.net

* When a voter wants to cast his vote he has to put his left hand on the symbol he wants to vote.

* The voting machine will scan the fingers image, tally with the data at central servers and register his choice of vote digitally inside the voting machine. The counting number of each symbol will not be visible to the voter. But the cumulative number of all votes on all symbols will be displayed on the voting machine [It can be seen on the voting machine by the voter] Every time a vote is registered by the voting machine the total number increase by one number.

*At the same the voting machine will print a small symbol of the voter's selected symbol on square part on the symbol's spool paper and the spool rolls 2 cm downwards.

* The voter will be able to see the total digital vote recording of all symbols increase by one number and at the same time his vote symbol printed on the empty part and the spool rolls 2 cm down in to lower part of the voting machine. Now the next empty square part on the roll paper is seen.

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*When the next voter arrives he will see only empty square part on all spool papers. He will cast his vote and comes out. All this happens in a few seconds for each voter.

* The voting machine will not register the vote if the voter tries to put his hand on the machine second time. It instantly sends out a warning siren. The security guards will take him outside.

* There will be a screening machine at the entrance of this polling room. This is not voting machine. This is vote slip producing machine. Every voter before entering the room will have to put his left hand on the screen of this machine. The machine will scan the finger images, tally and check with the stored data and produce small vote slip if the voter has an account in that branch and if he did not vote already. The machine would not produce a voter slip for second time for the same person. The voter slip contains his name and account number.

* Then the voter will be allowed into the voting room and should hand over the slip to the polling official.

* The polling room should be divided into three parts. In the first part the voting machines will be placed. In the second part the polling officials will sit and in the third part the polling agents of the contesting candidates will sit

* There will be screen board in the polling room connected to the voting machines.

* The screen board will show the total voter number at each vote cast. The total number will increase by one number after each vote is registered

* When the voter cast his vote, his name and voter number will be displayed on the board.

* The booth agents will mark the voters' names in their lists

* All the voting machines will be connected to the central servers in the Central Election Commission.

* In this way the total number of votes polled can be known according to booth wise, constituency wise, state wise and country wide at every second.

*At the end of the day the total number votes cast will be noted by the polling officials and polling agents. The rooms will be sealed and cc video cameras will be active monitoring the voting machines and whole inside of the voting room.

* The polling booth official should hand over the collected voter slips to his higher authorities.

* There will be no need to put mark on the voter's for finger. G

* The counting can be done the next morning. There will be no need to move voting machines to counting centres.

* The polling officials will open the voting machine in the presence of polling agents and with full coverage of cc video cameras. This entire process of counting should be made public and put on the internet.

* Inside the machine the digital recording of all symbols will be seen. The booth officials record the numbers of all symbols. He would verify the digital number for each symbol recorded and also the last printed number on back side of the roll of spool paper in the

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presence of polling agents. The digital recording of the symbol and printing number of the symbol should be same and would be the same. The total number of vote's registered and total individual votes of all symbols should be same.

* The digital recording of all votes will be connected to the constituency server and Central election commission servers.
* This process can be completed within half an hour.
* The final results can be declared by the Central Election Commission within one hour on the counting date.
* There is absolutely no possibility for bogus voting, impersonate voting and rigging
* There will be no need for booth officials to put a mark on voter's finger and verify the voter lists.
* Voting will take less time. There will be no long queues outside polling booths. Each voter enters the polling booth, put his left hand on the symbol of his choice on the screen, see his symbol printed on the roll paper and rolls down and returns back. Voting is as simple as that.
* Polling for general elections can be conducted on single day in single phase.
* The voting should be conducted on bank holidays and staff of bank branches should be interchanged for polling duty.
* The polling officials should be paid double amount for working on this day.
* To oversee the polling other government employees can be deputed as poll observers at each polling booth [bank branch] one poll observer at each polling booth is necessary for smooth conduct of elections.
* To achieve 100% free and fair elections the government should implement electoral and political reforms.
* Thus the conducting general elections and polling process will become so easy, simple, time saving and cost effective exercise. The up to date voter lists are ever ready with the banks.
* In the present system huge government machinery is required for the preparation of electoral rolls, enrolment of new voters and deletion of demised voter names in the voter lists.
* There will be no need to check voter slips and voting lists for polling booth officials. The voter slips will be produced by the screening machines just before he enters the polling booth when puts his hand on the screening machine
* There will be no need to put a mark on the voter's forefinger.
* There will be absolutely no rigging, impersonate voting and booth capturing. Every vote will be registered upon the scanning of voter's left hand by the voting machine. No second time voting is possible for the same person.
* 200 votes can be cast per hour on each machine. There will be a bank branch for village or colony having population for 2500 people. That means there will be approximately 2000 voters to register their votes at each polling machine at the bank branch.

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The total time taken for 2000 votes cast is approximately 10 hours for one machine.
If there are two voting machines are placed in each bank branch, polling will be over within 5 hours. Two voting machines are necessary at each bank branch because if one voting machine goes out of order then the other voting machine will come in handy.
* The voting percentage may go beyond 90% because voters will be attracted by the hassle free and easy voting with minimum time spending at polling booths.
*In the present system there is heavy burden on the government to deploy security forces, transportation of polling material and officials to the polling booths. In the expanded banking system there will be no need to transport material for conducting voting. Voting machines are permanently placed at each bank branch to conduct polling for all elections from panchayats to Loksabha elections.
* Huge government expenditure for conducting elections can be saved when elections are conducted with the help of expanded banking infrastructure.
Even for political parties there is no burden of distribution of voter slips to voters.
* The voting machines at bank branches can be used by all political parties for membership drive exercise on each year by paying user charges to the banks. Bogus membership can be avoided by political parties by using these machines.
* The parties can also utilise these voting machine for conducting their party elections by paying user charges to the banks.
* The survey agencies can use these machines to conduct opinion polls by paying user charges to banks.

Electoral and political reforms can be carried through expanded banking system

My suggested guidelines and regulations for registering new parties
* Registrations of new political parties can also be done by the Elections Commission by asking the new parties to register their members through these machines. The voting machines will scan the left hand of each member and register his/her membership for the party. The party should pay user charges at Rs. 10 per head for enrolment of members through the voting machines.
*The party which gets at least 2 % of members of total eligible voters in the State by the voting machines should be given state party status. At least 2% of registered members of total eligible voters in the state for the new party should be made mandatory to get recognition to contest elections as State Party with common symbol. If the party fails to get minimum 2% of votes at State level it should be immediately derecognised by the election commission. If the derecognised party wants to contest in next state elections with common symbol then it has to enrol members once again at least 2% of total electorate in the state.
* The party which gets at least 2 % of members of total eligible voters in the country and at least in 2% members in three states should be given national party status. The party can

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contest elections at national level in all States with common symbol. At least 2% of registered members of total eligible voters in the country for the new party should be made mandatory to get recognition to contest elections at all India with common symbol.

* If the party fails to get minimum 2% of votes at national level in general elections it should be immediately derecognised by the elections commission. If the derecognised national party wants to contest in next general elections at the national level with common symbol then it has to enrol members once again at least 2% of total electorate in the country.
* The registration of new political parties should be completed before issue of the notification by the election commission for elections. Those parties which were recognised by the election commission prior to the notification should be allowed to contest elections with common symbol
* All non recognised parties, which do not have 2% registered members through voting machines, will have to put their candidates as independents to contest elections.
* So it should be made mandatory of all political parties to have 2% registered members of total electorate through voting machines at State or National level.
* The elections commission should conduct a preliminary polling for independent candidates before 15 days prior to the main polling date. Only the winner of this preliminary voting should be allowed to contest along with registered parties on the final polling day.
* Thus there will be a maximum number of 8 candidates in the final electoral battle.
* Conducting free and fair elections will become simple, easy and time saving exercise and there will be no staggered polls in multiple phase spread over two months time.

<u>The notification for the elections schedule would be like this</u>

If Elections notification is announced on 5-1-2014
The last date for receiving applications from independents will be 15-1-2014
Verification on 16-1-2014
Last date of withdrawal is 18-1-2014
Date of preliminary voting for independents is 30-1-2014
Results on 31-1-2014. The winner among the independents will be allowed to contest main elections
The last date of receiving applications for main poll from candidates of recognised parties is 3-2-2014
The verification will be on 4-2-2014
The last date of withdrawal will be on 6-2-2014
The final polling date will be on 20-2-2014. Single polling day in single phase elections
Re-poll on 21-2-2014 if any malfunctions of voting machines occurred in some booths.
Counting on 22-2-2014 begins at 8 A.M. and will be completed by 10 A.m.

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Results will be declared officially at 11 A.M.
Just 55 days, from election notification to final result day, will be enough to conduct general elections nationwide in single phase and on single day polling
Disclaimer – These are my suggestions only and may not be necessarily practicable.

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www.politicalreforms.net

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The working modules for expanded banking system
Are available to download on websites -- www.vijayavarma.com www.singletax.org

These are direct links to all working modules of expanded banking system

http://taxreforms.net/wp-content/uploads/2012/06/Portable-Savings-Account.xlsx

https://bankingredefined.files.wordpress.com/2015/01/portable-bank-account.xlsx

- http://singletax.org/wp-content/uploads/2014/12/Money-supply-Module-VARMA.xlsx

http://vijayavarma.com/wp-content/uploads/2014/08/Bank-account-module.xlsx

http://singletax.org/wp-content/uploads/2013/03/Bank-account-module.xlsx

http://singletax.org/wp-content/uploads/2013/08/Streamline-fertilizer-distribution-network.xlsx

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http://singletax.org/wp-content/uploads/2013/03/Functional-program-for-money-changes-in-banking-system.xlsx

http://vijayavarma.com/wp-content/uploads/2014/12/Functional-program-for-money-changes-in-banking-system.xlsx

http://taxreforms.net/wp-content/uploads/2012/06/Main-Savings-Account-VARMA.xlsx

http://taxreforms.net/wp-content/uploads/2012/06/shares-account.xlsx

http://taxreforms.net/wp-content/uploads/2012/06/Land-Savings-Account.xlsx

http://taxreforms.net/wp-content/uploads/2012/06/Vehicles-Savings-Account-Module-VARMA.xlsx

http://vijayavarma.com/wp-content/uploads/2014/08/Land-Savings-Account.xlsx

http://vijayavarma.com/wp-content/uploads/2014/08/Money-supply-Module-VARMA.xlsx

http://vijayavarma.com/wp-content/uploads/2014/08/Functional-program-for-money-changes-in-banking-system.xlsx

http://vijayavarma.com/wp-content/uploads/2014/08/Vehicles-Savings-Account-Module-VARMA.xlsx

http://landsavingsaccount1.blogspot.in/

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Build Toll free highways

Why it is necessary to build toll free highways

According to my knowledge there are 351 toll gates on national high ways and may be another 400 toll gates for outer ring roads, express high ways, bridges etc, in India.

There are 40 lakh trucks, heavy vehicle [out of 70 lakh vehicle according to 2011 data] that use these high ways daily and another 40 lakh cars, buses, vans and other vehicles [out of total 2.08 crore according to 2011 data] that use these toll roads and pay toll taxes at toll plazas.

The total toll fee that is being collected per year from all these toll gates/toll plazas is estimated to be over 2, 00,000 crores. This is my estimation. The value of this annual toll fee is about 2% of the GDP value.

*The percentage value of this total toll fees to the total value of goods and commodities that being carried by trucks through this toll gates will be around 6%.

That means the cost of any commodity invariably includes the toll fee that is being paid by trucks drivers/owners at the toll gates. In case of agriculture produce like cereals, pulses, fruits, vegetables the cost component of toll fee will exceed 10%. That means the agriculture prices are 10 % more costly because of this toll fees. Indirectly, it is the common man who is paying the lakhs of crores as toll fees at toll plazas.

If toll free highways are built the prices of agriculture produce will become cheaper by at least 10% or the farmers get 5% extra price for their produce and the people will get agriculture commodities at 5% less.

The ticket fares for travellers who go by bus will also get decreased

Similarly the fuel that is being wasted because of idle engines of vehicles at toll gates is estimated to be Rs. 40,000 crores. The wastage of fuel can be saved by removing toll plazas on highways. The total travel time will also decrease with the removal of toll gates on high ways. If the government builds toll free national highways, the common man can be saved from being fleeced indirectly at toll plazas

How to build toll free high ways?

My suggestion for collecting funds to build toll free high ways

It is simple and easy. Tax the rich, save the poor

The government should Impose fixed annual toll tax/wealth tax on cars.

This toll tax on cars should be given exemption to taxi/cab service owners who own and run only one car for public transport.

So, individuals, who own only one car/cab and run taxi/cab service for livelihood, should be exempted from this toll tax/wealth tax.

This exemption should not be applicable to travel agencies which own and run more than one car/cab.

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My suggested toll tax formula for cars

S.No	Engine cc	Toll tax/wealth tax per annum
1	800	Rs. 10,000
2	800 to 1000	Rs. 20,000
3	1000 to 1200	Rs. 30,000
4	1200 to 1500	Rs. 50,000
5	1500 to 2000	Rs. 100,000
6	2000 above	5,00,000
7	Imported cars	10,00,000

According to 2011 data the total registered cars and jeeps in India are 1, 92,31,000. This figure might have increased to 2,50,00,000 by now
The total revenues that accrue if the government imposes toll tax/wealth tax on these cars will be around 40, 000 crore annually.
If the Central government allocates another 20,000 crore in the annual budget for high way construction and adds to this amount then the total available funds to build toll free highways would be 60,000 crore
By using these funds the government can build 6,000 KMs of toll free national highways every year.
Tax the rich, save the poor should be the primary policy of the Central Government to save the common man form being fleeced indirectly at the toll gates.
This policy would also encourage people use the public transport system more and it would decongest the city roads and ease the traffic problem to certain extent. It will also increase self employment to many in transport service.

Build the national highways in quick time

My suggested regulations that are to be incorporated in the contract schedules before awarding to contractors are ---
1] If corruption is entirely removed in awarding contracts and padding up of project cost is not allowed then the cost for laying 4 lanes national high way would be Rs 8 crore per KM (excluding land cost) and Rs. 12 crore (excluding land cost) for 6 lane national highways.
2] The acquisition of land for the national high ways should be made by the State Government through which the proposed highway construction takes place.
3] The construction of national highways should be in the hands of Central Government and maintenance of highways should be in the hands of State Government. The road taxes collected from trucks, heavy vehicle, vans, and buses can be used for maintenance of roads by the State Governments.

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4] To get additional revenues for maintenance of roads each segment of road can be allocated to corporate houses to brand the high ways in name of their products and giving franchise rights to set up hoardings at important junctions.

5] If the two lane highway is to be upgraded to 4 lane 7.5 acres per KM is enough. If 2 lane high way is expanded to 6 lane high way 15 acres per KM is enough

6] The compensation to the farmers should always be in two ways. One is cash payment at the rate of 4 times the value of land's market value. And the second compensation is like this. The State government should acquire 20 % extra land than actually required and allot the acquired additional land to the farmers along the sideways of national high way in proportion to the lost land.

For example if a farmer loses 5 acres of land he gets compensation for 4 acres and gets 1 acre land along the side of the national highway. If the farmer loses 1 acre land in acquisition, the farmer gets compensation for 80 cents of land and gets 20 cents of land along one side of national highway.

7] The farmer not only gets high compensation but also gets a high commercial valued land along the side of the high way. The farmers will come forward on their own to give their lands on their own to build the highway projects. They will become partners in these projects.

8] Every year 6000 KMs of 4/6 lane national highways can be added to the existing road work

9] The to-be laid road lengths should be divided into 30 km segments, rail over-bridges, river bridges and fly-overs.

10] For example the 6,000 Km road length should be divided into 200 segments each and in addition to these segments contracts for construction of bridges at rivers, railway lines and junctions should be auctioned separately.

11] Giving and taking bribes, deliberate attempt of padding up of project cost and colluding with co-bidders at the time of bidding and in the construction stage should be made a highly serious crime and non bailable offence. A separate law should be enacted in the Parliament to give the government an absolute right to attach and confiscate all properties of the offender if he is found guilty

12] The contractor should complete his work within 12 months from the date of awarding the contract.

13] A penalty of 5 % of project should be levied per every month of delay over the given time of 12 months.

14] It should be made mandatory for the contractor to film every section, every part of the construction work every day and send it to the high way authority and put it on website.

15] If the project work is completed within the contract time of 12 months then additional 5% of project work should be given to the contractor as a bonus. The contractors, who finished the projects within the stipulated time of 12 months, should be given first priority in the next year projects.

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16] Before the contractor begins his work he should open a bank account in any nationalised bank and should spend every rupee on this project from this account only. This account should not be closed till the completion of the project.
17] All payments towards expenditure from this account to recipients' accounts should be made either through online transfers or cheque.
18] All payments towards raw materials, machinery, rentals, man power, service charges etc. should be made only through this account. No cash payments should be allowed for payments throughout the execution of this project.
19] The expenditure balance sheet should be put on the website for general public to know the status of project work and the spending on the project work on each day.
20] The expenditure balance sheet should be updated and put on the website every day. People should have the absolute right to know how their hard earned money is being spent for what and by whom. In this way the transparent spending and implementation of the road projects will eliminate corruption. This transparency in execution of the project will also ensure the highest quality of work.
21] This brings in a new era of accountability and transparency in spending of public money. People should also become the partner, administrator and watcher in spending their own money.
22] The contractor should construct and complete the whole project on his own and he should not be allowed to sub-contract the whole project to third party. Small pieces of works can be given to third parties but payments should be paid for the subcontracts from the main contractor's account only.

How road taxes, toll taxes, wealth taxes on cars are to be levied and collected?

1] The registration of all vehicles should be digitalised

The ownership rights of vehicles belonging to a person should be digitalized and recorded in his/her vehicle savings account
The government should give vehicles account to people who own vehicle or vehicles. There should be only one vehicles account for one person if he owns vehicles
Download and see a module vehicles account on the website - www.vijayavarma.com
You can also download the module vehicle savings account by clicking on these links

http://taxreforms.net/wp-content/uploads/2012/06/Vehicles-Savings-Account-Module-VARMA.xlsx

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What is vehicle savings account?

1] A person's Vehicle savings account will be handled by banks. There will be no need to have regional transport offices. This vehicles account can be handled by any branch anywhere in India.
2] It shall be utilised for registering ownership rights of all movable properties like vehicles.
3] A person's vehicles will be registered in his/her vehicle savings account
4] The ownership rights of vehicle[s] will be transferred from one person's vehicle account (manufacturer, dealer, and seller) to another person's vehicle account while purchase/sale/donation of these movable properties by the bank branch which handles the sellers account.
5] The ownership records will contain the vehicle's model, manufacturing date, engine number, chassis number, registration number, fitness certificate etc. The ownership rights of all vehicles will be transferred from one vehicle account belonging to manufacturer/importer/dealer/retailer, or other citizen to the buyer's account through online just like money transfers in the present system.
6] In the TOP Tax system people will not need to have separate vehicle registration certificates, fitness certificates, and insurance certificates for each vehicle he/she owns.
7] The bank statement of a person's vehicle account of his/her MSA, which contains the owning record of all his/her vehicles, will suffice for all his/her vehicles.
8] That means the bank statement of any person's vehicle account will hold the entire ownership rights of that person's all movable properties.
9] Furthermore there will be no need to have separate RTO departments for registration and checking of vehicles in the TOP Tax system. The traffic police department will suffice to oversee all vehicles in promptly paying the road taxes and insurance premiums regularly.
10] The data on payment of road taxes collected from banks will ensure that the checking authorities can stop only the non tax- paying vehicles leaving the tax paid vehicles unstopped on the highways.
11] For buying or selling a person need not go to transport office. The transfer of ownership rights will be done by banks
12] The transfer of ownership rights will be done by a bank's branch in the presence of the seller and buyer within 5 minutes after receiving the consent letter from the seller and buyer separately.
13] The transfer charges or user charges taken by a bank branch for any vehicle is Rs 1000.

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14] The details of the vehicle like model, capacity of engine, year of manufacturing, chases number, engine number, registration number etc., will be transferred from the seller's account to buyers account instantly.

15] There will be no paper documents like c-book etc. The ownership rights will be in digital form in vehicles account

16] Thus road taxes, toll taxes, wealth taxes, insurances premiums, penalties from wrong driving will be collected from this account by accounts.

17] The traffic police will send the traffic violations by the drivers to the bank branch which handles that vehicle account. The penalties will be collected by the banks and credit it in the government's account.

Disclaimer – The above suggestions and statement are born out my pure imagination and may not be practicable. All figures and facts mentioned above may not be true.

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Material and methods; - This article was borne out of my thoughtful exercise over the years as viewed by a layman at the ground level. All the ideas and methods suggested in the article were derived from my pure imagination and research work, and not borrowed from any essay, theory or literature written by other authors. Hence no references were made to literature.

Disclaimer: *Although careful attention has been paid to every detail so that this TOP Tax system adheres to perfect functioning of governance aimed at removing corruption, poverty and inequality, there may be some inadvertently entered errors. Some of the facts, figures and statements in the above article are born out of my pure imagination and may not necessarily be true or practicable.*

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Any nation which wants to adopt and implement this new tax system should contact the author for usage of his intellectual property.

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Research interests – Tax reforms, money supply, electoral reforms, political reforms, administrative reforms, educational reforms, water resources management, turbines, steam turbines, gas turbines, water turbines, turbine engines, solar system, sub atomic structure, gravitational force and genetic code of the universe.

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